



Vocational education and training in Finland

Short description





Vocational education and training in Finland

Short description

Please cite this publication as:

Cedefop (2019). *Vocational education and training in Finland: short description*. Luxembourg: Publications Office.

<http://data.europa.eu/doi/10.2801/841614>

A great deal of additional information on the European Union is available on the internet.

It can be accessed through the Europa server (<http://europa.eu>).

Luxembourg: Publications Office of the European Union, 2019

PRINT ISBN 978-92-896-2903-4

doi:10.2801/723121

TI-02-19-568-EN-C

PDF

ISBN 978-92-896-2905-8

doi:10.2801/841614

TI-02-19-568-EN-N

© European Centre for the Development of Vocational Training (Cedefop), 2019
Reproduction is authorised provided the source is acknowledged.

The **European Centre for the Development of Vocational Training** (Cedefop) is the European Union's reference centre for vocational education and training, skills and qualifications. We provide information, research, analyses and evidence on vocational education and training, skills and qualifications for policy-making in the EU Member States. Cedefop was originally established in 1975 by Council Regulation (EEC) No 337/75. This decision was repealed in 2019 by Regulation (EU) 2019/128 establishing Cedefop as a Union Agency with a renewed mandate.

Europe 123, 570 01 Thessaloniki (Pylea), GREECE
Postal: Cedefop, Service Post, 570 01 Thermi, GREECE
Tel. +30 2310490111, Fax +30 2310490020
Email: info@cedefop.europa.eu
www.cedefop.europa.eu

Mara Brugia, *Acting Executive Director*
Tatjana Babrauskiene, *Chair of the Management Board*

Foreword

Seamless and future-oriented: in essence, this is Finland's vision for lifelong learning in a world where adapting to new jobs and tasks and trends in society is becoming the norm. To make it a reality requires the support of the entire education and training system.

This renewed emphasis on learning as a continuous process throughout life and the need for future-proof education and training policies are priorities of Finland's 2019 Presidency of the Council of the European Union. For Europe to remain competitive and inclusive also requires sufficient investment in human capital. This is highlighted by the intention of the Finnish presidency to bring together education and finance ministers, sending a strong signal to policy-makers.

The country's 2018 vocational education and training (VET) reform reflects its holistic approach to lifelong learning: initial and continuing VET have been reorganised under the same legislation, underpinned by common principles. Using a competence-based approach, it caters for young people, adults, employees with upskilling or reskilling needs and the unemployed. The objective of this most extensive reform in almost 20 years was to make VET more efficient and better match qualifications to labour market needs.

Being flexible and customer-oriented are its main features, translating into more provider autonomy and responsibility. This flexibility allows taking up VET at any time, depending on provider arrangements, and following personal development plans which build on learners' knowledge, skills and competences. So, the more learners know and can do already, the shorter their studies. And all programmes enable progression to higher education.

To increase work-based learning the reform focuses on innovative pedagogy, learning environments and closer cooperation between VET providers and workplaces. Ensuring a sufficient number of places and competent trainers, guidance and support are part and parcel of the comprehensive approach of this reform.

Nine out of 10 Finns already think that VET offers high-quality learning, according to Eurobarometer. It is not only employment prospects and eligibility for further studies that contribute to this image, but also teachers' high status and competences. VET teachers are well paid and their education is highly selective. Only around a third of the applicants are admitted to the studies and prior work experience in the teaching field is a prerequisite. Their role and core tasks are significantly changing with the competence-based approach and learners' individualised study paths: their focus will be on guiding and coaching learners and

they will need to cooperate even more closely with labour market actors than ever before.

To support the holistic approach of the reform, a single funding system with uniform criteria was introduced to cover all VET programme types and levels. Gradually, an increasingly performance- and efficiency-based model will apply.

With this comprehensive reform, Finland is, once again, a forerunner in education and training.

This short description, drawn up in close collaboration with Cedefop's national ReferNet partner, aims to offer a glimpse of Finland's VET, its successes and challenges, to a wider European audience. Our overall aim is to help readers understand VET in its specific country context; this is a prerequisite to supporting policy learning, building bridges between VET systems, and encouraging learner and teacher mobility across Europe.

We hope that the information in this publication will be a source of inspiration for policy-makers, researchers, VET providers and other readers across Europe and beyond.

Mara Brugia
Acting Executive Director

Loukas Zahilas
Head of department for VET systems and
institutions

Acknowledgements

This publication was produced by Cedefop, Department for vocational education and training systems and institutions, under the supervision of Loukas Zahilas. Dmitrijs Kulšs, Cedefop expert, was responsible for the publication.

Cedefop would like to thank Aapo Koukku, Olga Lappi and Paula Paronen from the Finnish National Agency for Education (ReferNet Finland), without whom this publication would not be possible. Thanks also go to representatives from the Ministry of Education and Culture for their valuable input and discussions.

The publication was peer-reviewed by George Kostakis, Cedefop expert.

Contents

Foreword	2
Acknowledgements.....	7
1. External factors influencing VET	13
1.1. Demographics.....	14
1.2. Economy and labour market indicators	15
1.2.1. Economic structure	16
1.2.2. Towards a green economy.....	16
1.2.3. Professional regulations	17
1.2.4. Employment and unemployment.....	17
1.3. Education attainment	19
2. VET provision	22
2.1. Education and training system overview	24
2.2. Government-regulated VET provision	26
2.2.1. VET programme characteristics	27
2.2.2. Vocational units (also known as modules)	28
2.2.3. Key competences	29
2.2.4. Personal competence development plan	29
2.2.5. Qualification examples	30
2.3. VET providers	31
2.4. VET learners	33
2.5. Work-based learning.....	35
2.5.1. Training agreement	36
2.5.2. Apprenticeship training contract	36
2.6. Financing VET	37
2.6.1. Current financing system.....	37
2.6.2. Finance system focus on performance	38
2.6.3. Data collection database KOSKI	40
2.7. VET governance	41
2.8. Teachers and trainers	42
2.8.1. Vocational teachers and trainers.....	42
2.8.2. Requirements for trainers	44
2.9. Other forms of training	44
2.9.1. Liberal adult education	45
2.9.2. In-service training	45

2.9.3. Vocational labour market training	45
2.10. Recent policy changes	45
3. Shaping VET qualifications.....	47
3.1. Anticipating skills needs.....	49
3.1.1. Quantitative anticipation	52
3.1.2. Qualitative anticipation	52
3.1.3. National forum for skills anticipation	52
3.2. Designing VET qualifications	53
3.2.1. National qualification requirements	54
3.2.2. Competence assessment plans	55
3.2.3. Learner personal competence development plan	56
3.2.4. The world of work in developing qualification requirements and VET quality	56
3.3. Validation of non-formal and informal learning	57
3.4. Quality assurance	58
3.4.1. Supervision of qualifications	59
3.4.2. Quality assurance of VET providers	59
3.4.3. Learner feedback.....	60
3.4.4. New quality assurance guidelines	61
4. Promoting VET participation.....	62
4.1. Incentives for learners.....	63
4.1.1. Financial support for full-time learners	63
4.1.2. Study leave for employees	64
4.1.3. Employment Fund support for adult learners	64
4.2. Incentives for enterprises.....	66
4.3. Guidance and counselling	66
4.4. Challenges and development opportunities	67
Acronyms and abbreviations	69
References	70
Further sources of information.....	71
Legislation.....	71
Websites and databases	71
Statistics	72

Boxes, tables and figures

Boxes

1. Omnia: a VET provider that anticipates skills needs 51

Tables

1. Employees (age 15 to 74) by economic sector in 2018 16
2. Total employment rate of all ISCED level graduates (age 20-34) 19
3. Operating costs per learner in upper secondary VET by study field in 2012, 2014, 2017 (EUR) 38
4. Teacher and trainer qualifications 43
5. Incentives available for learners and employees supporting participation in VET 65

Figures

1. Population forecast by age group and old-age dependency ratio 14
2. Unemployment rate (aged 15 to 24 and 25 to 64) by education attainment level in 2008-18 18
3. Employment rate of VET graduates (aged 20 to 34, ISCED levels 3 and 4) 18
4. Population (aged 25 to 64) by highest education level attained in 2018 19
5. Early leavers from education and training in 2009-18 20
6. Participation in lifelong learning in 2014-18 21
7. VET in the Finnish education and training system in 2018/19 23
8. Learners by education level/type 25
9. VET not leading to qualifications 25
10. VET providers by type of ownership 32
11. Learners by VET type 33
12. Share of learners in apprenticeship training by VET type 33
13. VET learners by age group and VET type 34
14. Graduate progression to employment and education 35
15. Share of VET funding elements from 2022 39
16. VET funding elements 2018-22 (%) 40
17. Main VET stakeholders 41
18. European skills index across Member States 48
19. Stakeholder roles in designing qualifications 49
20. Designing VET qualifications 53
21. Stakeholder roles in assuring VET quality 58

Finland



© Shutterstock

Area	338 424 km ²
Capital	Helsinki
System of government	Unitary Parliamentary Republic
Population (2018) ⁽¹⁾	5 513 130
Per capita gross domestic product (GDP) (current prices, 2018) ⁽²⁾	EUR 42 340
Legislative power	Parliament (<i>Eduskunta/Riksdagen</i>)

In Finland, the word 'programme' is not used in combination with VET. Instead, policy-makers, providers and learners use words 'VET qualification' that refer to both the VET programme (as a learning process) and its outcome. This report distinguishes between the two.

In 2018, new legislation launched a VET reform that was prepared between 2015 and 2017. Some elements of the reform, such as an updated financing model, will become fully operational by 2022. This report presents the VET system as it stands in May 2019. Some statistical data, however, refer to the system before the reform.

At the time of drafting this report, the Finnish National Agency for Education was updating its website www.oph.fi, including changes in the links to the documents that we refer to in this publication.

⁽¹⁾ Eurostat, tps00001 [extracted 22.3.2019].

⁽²⁾ https://www.tilastokeskus.fi/tup/suoluk/suoluk_kansantalous.html [accessed 25.4.2019].

CHAPTER 1.

External factors influencing VET

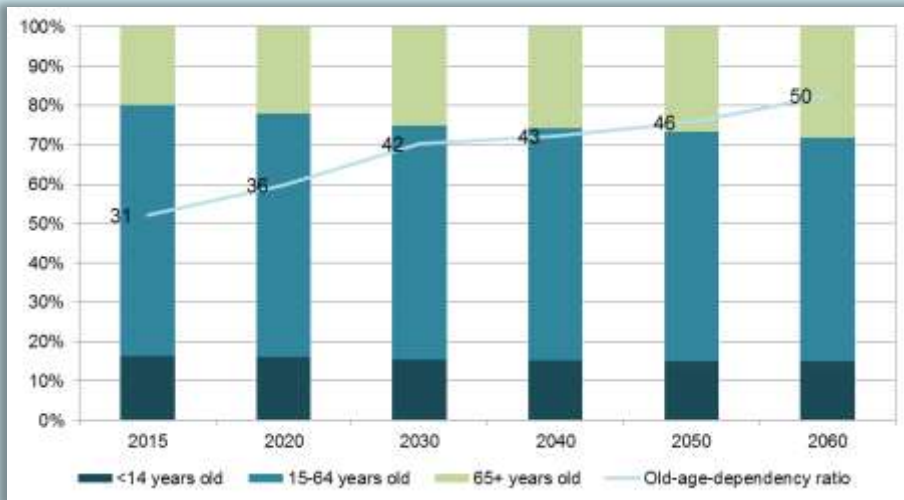


1.1. Demographics

Finland's population is 5 513 130 (2018); it has increased by 1.6% since 2013 ⁽³⁾. The country area of 338 424 km² comprises 21 regions (*maakunta/landskap*) and 311 municipalities; most have fewer than 6 000 residents ⁽⁴⁾.

While the population is ageing, the share of young people remains slightly above the EU-28 average due to immigration (Figure 1). Since 2000, annual immigration to the country has more than doubled, reaching 249 500 or 4.5% of the population in 2017. This is also due to the increased number of asylum seekers in 2015-16 ⁽⁵⁾.

Figure 1. Population forecast by age group and old-age dependency ratio



Source: Eurostat, [proj_15ndbims](#) [extracted 16.5.2019].

According to the population forecast, the proportion of those aged over 65 is increasing faster than the EU average. This is mostly due to the baby-boomer generations, born after World War II, reaching pensionable age. The ratio of 65+

⁽³⁾ Eurostat, tps00001 [extracted 22.3.2019].

⁽⁴⁾ <https://www.localfinland.fi/expert-services/finnish-municipalities-and-regions>;
<https://www.kuntaliitto.fi/tilastot-ja-julkaisut/kaupunkien-ja-kuntien-lukumaarat>;
<https://www.tilastokeskus.fi/meta/luokitukset/maakunta/001-2019/index.html>
[extracted 25.4.2019].

⁽⁵⁾ Statistics Finland:
www.tilastokeskus.fi/tup/maahanmuutto/maahanmuuttajat-vaestossa/ulkomaan-kansalaiset_en.html#tab1483972171375_1

year-old people to those aged 15 to 64 will continue increasing. This will also force the retirement age to increase, reaching 62.4 years in 2025 ⁽⁶⁾.

Demographic challenges will impact the availability of the labour force, growth of economy and, in consequence, provision of welfare services. The changing population structure will also require improving attainment, preventing early leaving from education and training, facilitating young people's transition to further education and making flexible learning paths for completing qualifications.

1.2. Economy and labour market indicators

Finland's competitiveness is based on high-standard knowledge and skills, and innovation.

During the upswing of the late 1990s and the early 2000s, economic growth in Finland was among the fastest in the EU. Development was particularly rapid in the technology industry. Export- and investment-led growth led to the continuation of wage moderation, an improvement in competitiveness and recovery of export markets.

After the long downswing, the Finnish economy picked up quickly starting from 2015-16. However, competitiveness may now be hampered by a shortage of labour in some sectors. Reduced labour force availability in the future may evolve into a bottleneck in the competence-driven competition strategy. The worst-case scenario would be that businesses encountering difficulties accessing an appropriate workforce also increasingly outsource their planning and design abroad.

A capacity for providing extensive welfare services may also be affected. Even if social and healthcare services improve their productivity and develop new, less labour-intensive care methods, the demand for labour in these fields will grow substantially in the future. Counted in terms of labour, this sector would be clearly larger than the manufacturing industry, even if the ambitious aims set for productivity were realised. According to a foresight study conducted by the Finnish National Agency for Education ⁽⁷⁾, demand for new employees in healthcare and social services will be nearly 120 000 from 2008 to 2025. This has an impact on VET as, for example, practice nurses and dental assistants receive VET qualifications.

⁽⁶⁾ In 2017 it was 61.2 years. Source: Finnish Centre for Pensions:
www.etk.fi/en/statistics-2/statistics/effective-retirement-age/

⁽⁷⁾ <https://www.oph.fi/sites/default/files/documents/hanhijoki-i.-katajisto-j.-kimari-m.-ja-savioja-h.-koulutus-ja-tyovoiman-kysynta-2025.-2011.pdf>

1.2.1. Economic structure

The highest share of labour force is in human health and social work activities, manufacturing and in wholesale and retail trade (Table 1).

Table 1. **Employees (age 15 to 74) by economic sector in 2018**

Economic sector	(thousand)	%
Agriculture, forestry and fishing; mining and quarrying	101	3.98
Manufacturing; electricity, gas, steam and air conditioning and water supply; sewerage and waste management	361	14.21
Construction	198	7.80
Wholesale and retail trade; repair of motor vehicles and motorcycles	292	11.50
Transportation and storage	143	5.63
Accommodation and food service activities	86	3.39
Information and communication	114	4.49
Financial, insurance and real estate activities	77	3.03
Professional, scientific and technical activities; administrative and support service activities	291	11.46
Public administration and defence; compulsory social security	116	4.57
Education	184	7.24
Human health and social work activities	417	16.42
Arts, entertainment and recreation; other service activities	153	6.02
Industry unknown	7	0.28
Total	2 540	100

Source: Statistics Finland: https://www.tilastokeskus.fi/tup/suoluk/suoluk_tyolama_en.html

VET's role in the economy is extensive: in 2016 approximately 40% of the Finnish labour force had a vocational qualification as their highest qualification ⁽⁸⁾.

1.2.2. Towards a green economy

Finns leave one of the biggest ecological footprints in Europe, consuming natural resources three times more than the Earth can produce. Reasons include country's northern location and dispersed population structure. In 2015, the government launched a clean energy programme as part of the energy and climate strategy update. It aims at investing in production of clean domestic energy and reducing imports of energy by one third. By 2030, one of the government's aims is to

⁽⁸⁾ <https://vipunen.fi/fi-fi/rakenne/Sivut/Työllisten-ammait-j-koulutus.aspx>

increase Finland's share of renewable energy to more than 50% (around 40% at the moment) ⁽⁹⁾ and to stop using coal in energy consumption ⁽¹⁰⁾.

VET plays a role in this process. Key competences, including sustainable development, are part of every VET qualification. Environment-related qualifications are also available.

1.2.3. Professional regulations

Relatively few professions require a specific qualification. Such requirements are mainly in healthcare, teaching, rescue and security jobs. Also the Finnish Evangelical Lutheran Church requires its employees to have a qualification in the field. Such professions usually require a higher education degree and a few regulated professions require a vocational qualification. Examples are nurses, prison and security guards, construction drivers and chimney sweeps.

1.2.4. Employment and unemployment

Unemployment has been increasing slowly over the past decade due to the economic situation. Since 2008, total unemployment increased by 1.2 percentage points and reached 6.1% in 2018. This is slightly more than the EU average of 6.0%.

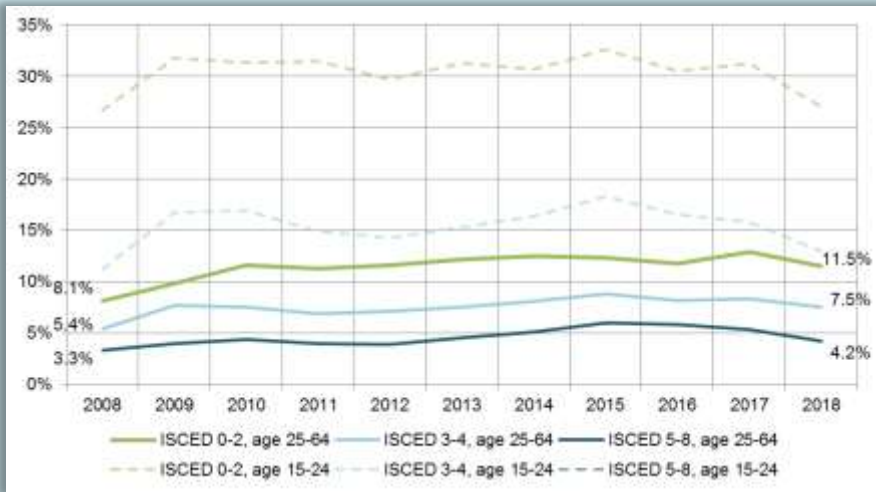
As shown in Figure 2, young people (15-24) with low qualifications (ISCED 0-2) are much more exposed to unemployment than older people who have more work experience. Higher level qualifications mean less unemployment, also for young people.

Figure 3 demonstrates that the employment rate of VET graduates (age 20-34, ISCED levels 3 and 4) has increased since 2014 by 2.2 percentage points and reached 79.8% in 2018. This increase was slower compared with the increase in employment for the same age group graduates of all education types (+2.5pp) in the same period.

⁽⁹⁾ <https://tem.fi/uusiutuva-energia>

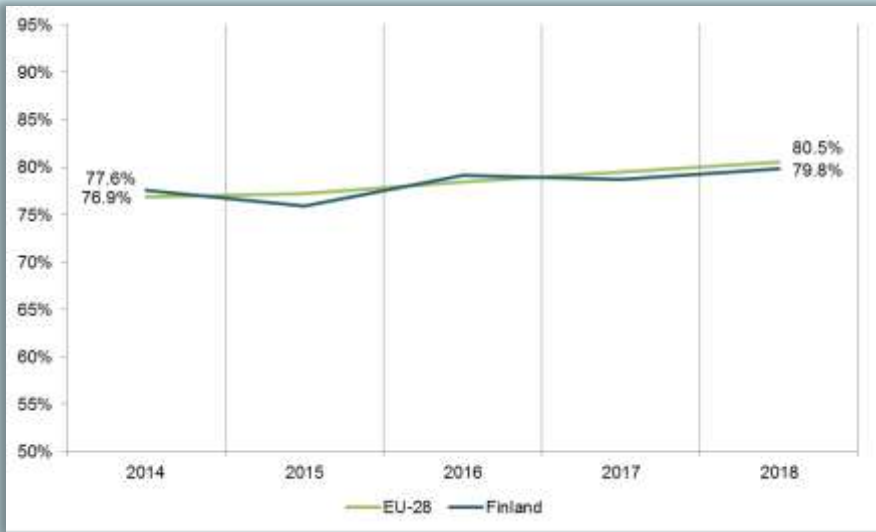
⁽¹⁰⁾ <https://www.investinfinland.fi/documents/162753/197730/Finland+Fact+Book/7b46dfaa-209f-4e27-9147-3b7ed6624d8a>

Figure 2. **Unemployment rate (aged 15 to 24 and 25 to 64) by education attainment level in 2008-18**



NB: Data based on ISCED 2011; breaks in time series; low reliability for ISCED 5-8, age 15-24.
ISCED 0-2 = less than primary, primary and lower secondary education.
ISCED 3-4 = upper secondary and post-secondary non-tertiary education.
ISCED 5-8 = tertiary education.
Source: Eurostat, [lfsa_urgaed](#) [extracted 16.5.2019].

Figure 3. **Employment rate of VET graduates (aged 20 to 34, ISCED levels 3 and 4)**



NB: Data based on ISCED 2011; breaks in time series.
ISCED 3-4 = upper secondary and post-secondary non-tertiary education.
Source: Eurostat, [edat_ifse_24](#) [extracted 16.5.2019].

Table 2. **Total employment rate of all ISCED level graduates (age 20-34)**

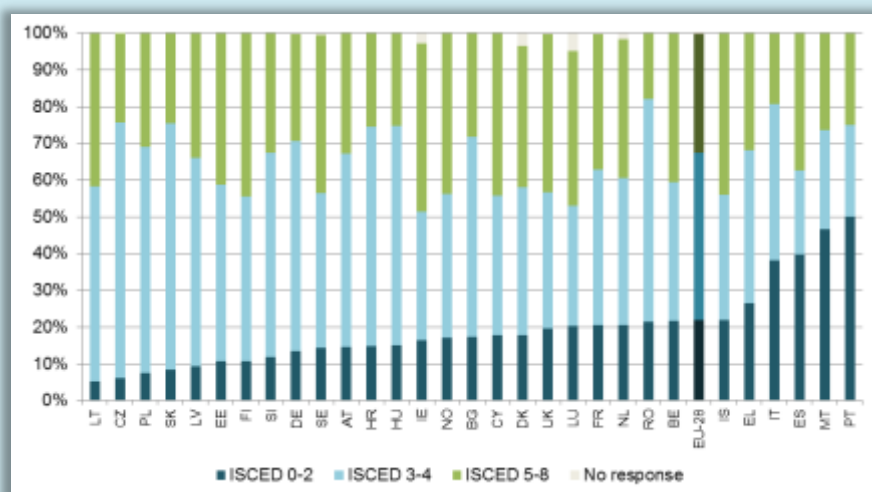
2014	74.4%
2018	76.9%
Change 2014-18 (percentage points)	2.5 pp

Source: Eurostat, *edat_ifse_24* [extracted 16.5.2019].

1.3. Education attainment

Completion of both upper secondary and tertiary studies is one of the objectives of national education policy. Finland has one of the highest shares of 25-64 year-old people with higher education (43.7%) and one of the lowest shares with low qualifications (11.7%) in the EU (Figure 4).

Figure 4. **Population (aged 25 to 64) by highest education level attained in 2018**



NB: Data based on ISCED 2011.

Low reliability for 'no response' in Czechia, Iceland, Latvia and Poland.

ISCED 0-2 = less than primary, primary and lower secondary education.

ISCED 3-4 = upper secondary and post-secondary non-tertiary education.

ISCED 5-8 = tertiary education.

Source: Eurostat, *lfsa_pgaed* [extracted 16.5.2019].

Attainment of Finns aged 25 to 64 has increased significantly since 2000, slightly more rapidly than in the EU-28 on average. Since the 1990s the expansion of adult education and training, as well as the creation of the competence-based qualifications system, offered many baby-boomers born after World War II an opportunity to complete a VET qualification.

Preventing exclusion from education has been one of the key objectives of the Finnish education policy for some time (Figure 5).

Figure 5. Early leavers from education and training in 2009-18



NB: Share of the population aged 18 to 24 with at most lower secondary education and not in further education or training.

Sources: Eurostat, edat_ifse_14 [extracted 16.5.2019] and European Commission https://ec.europa.eu/info/2018-european-semester-national-reform-programmes-and-stability-convergence-programmes_en [accessed 14.11.2018].

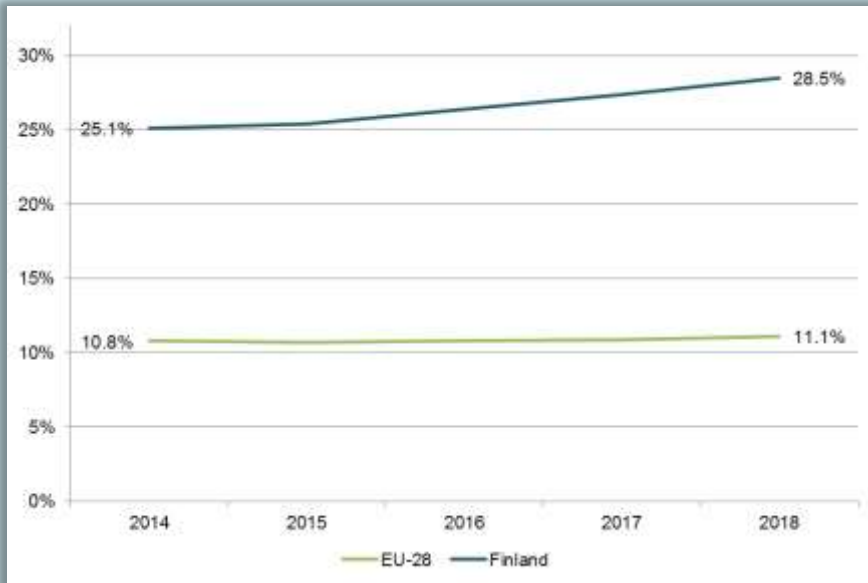
The share of early leavers from education and training was 8.3% in 2018. This has decreased since 2009 by 1.6 percentage points (-3.6 percentage points in the EU) and is very close to the national target 2020 of not more than 8%.

Finns are avid learners: over 40% of those aged 20 to 29 are in education and training, which is the second highest result among OECD countries (OECD, 2018). This reflects an aspiration to gain a good education but also points to the inefficiency of the education system. The overall duration of education and training is influenced by delays at transition points ⁽¹¹⁾ and the overall time spent in each programme. The latter is now being addressed by the new financing mechanism (see Section 2.6.2) that gives more weight to the effectiveness of studies and pushes towards timely acquisition of qualifications.

⁽¹¹⁾ For example, young graduates from upper secondary education at age 19 cannot always enter higher education due to limited places available; they often apply several years in a row before they can enrol.

Adult participation in education and training has traditionally been at a high level in Finland (Figure 6).

Figure 6. Participation in lifelong learning in 2014-18



NB: Share of adult population aged 25 to 64 participating in education and training in the past four weeks before the survey.

Source: Eurostat, trng_lfse_01 [extracted 16.5.2019].

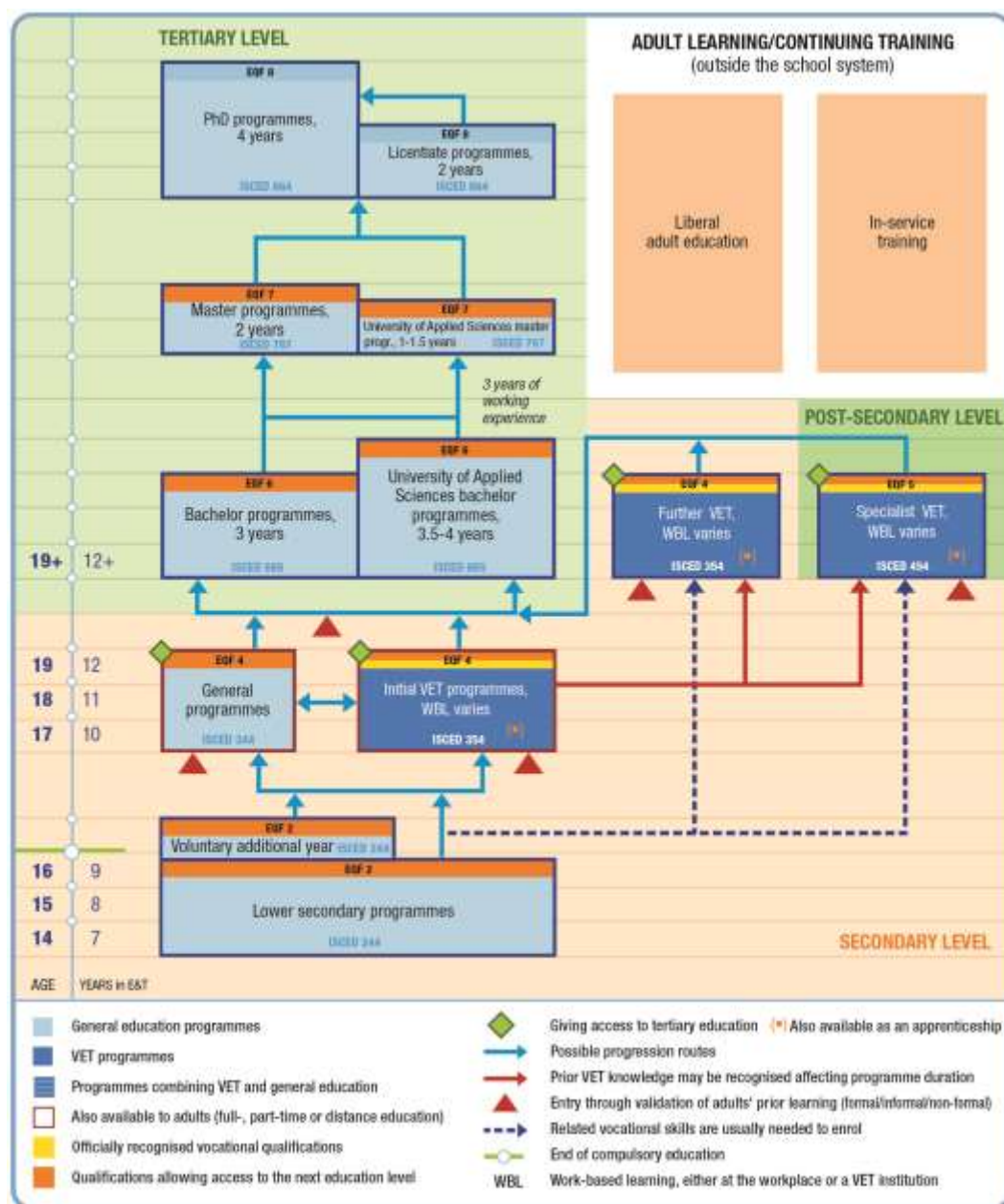
A quarter of the country's population reported in 2014 that they had participated in education or training in the month preceding the survey. The share increased to 28.5% by 2018; it was also almost three times higher than the EU average. VET plays a crucial role in this.

CHAPTER 2.

VET provision



Figure 7. VET in the Finnish education and training system in 2018/19



NB: ISCED-P 2011.

Source: Cedefop and ReferNet Finland.

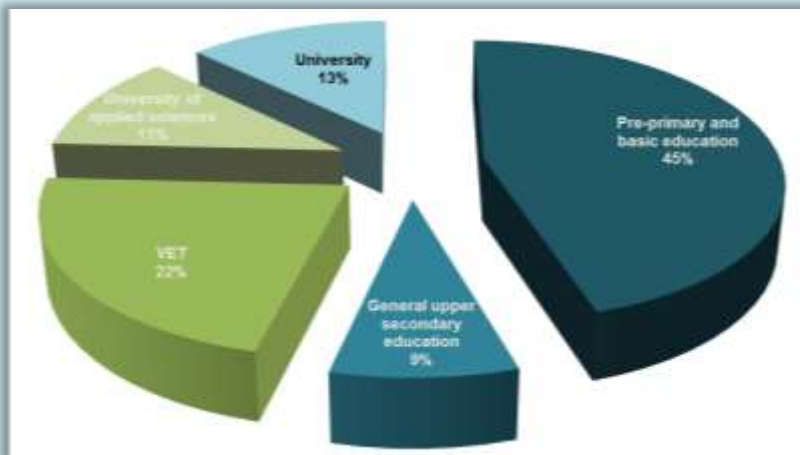
2.1. Education and training system overview

The basic principle of Finnish education is that all people must have equal access to education and training. The education system is flexible and highly permeable. There are no dead ends preventing progression to higher levels of education. Compulsory education is provided within a single programme. The following education types/levels are available:

- (a) early childhood education and care ISCED 0 (age up to six, *varhaiskasvatus*):
 - (i) participation is not compulsory;
 - (ii) small fees;
- (b) pre-primary education ISCED 0 (age six, *esiopetus*):
 - (i) participation is compulsory;
- (c) basic education (*perusopetus*): primary education grades 1-6 ISCED 1 (age 7 to 12) and lower secondary education grades 7-9 ISCED 2 (age 13 to 16):
 - (i) participation is compulsory;
- (d) optional additional year ISCED 2 (age 16):
 - (i) allows improving grades and preparing for vocational education or offers of periods of work experience;
- (e) upper secondary education, grades 10-12 ISCED 3-4 (usual age 17 to 19, *toisen asteen koulutus*):
 - (i) general (*lukiokoulutus*);
 - (ii) initial VET (*ammattillinen koulutus*);
 - (iii) further and specialist VET for adults (*ammattitutkinto ja erikoisammattitutkinto*);
- (f) tertiary education ISCED 6-8 (*korkeakoulutus*), provided by:
 - (i) universities (*yliopisto*);
 - (ii) universities of applied sciences (*ammattikorkeakoulu*).

Almost all (95%) graduates from compulsory basic education immediately enrol in upper secondary education: general or vocational. Around 42% opt for vocational upper secondary education. This share has increased from 36% in 2001. VET learners are 22% of all learners at all education levels (Figure 8).

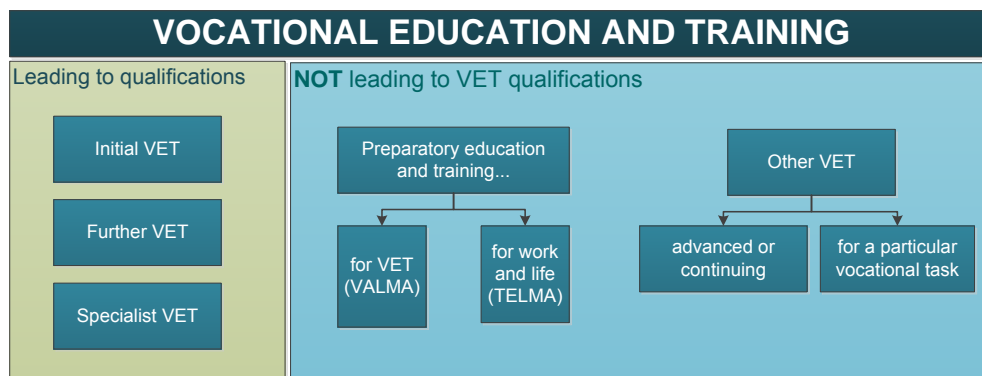
Figure 8. Learners by education level/type



NB: 2017 data, including initial and continuing VET.
Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

In addition to the VET programmes described above, VET programmes not leading to a qualification are also available. They are also publicly financed.

Figure 9. VET not leading to qualifications



Source: Finnish National Agency for Education.

Preparatory education and training for VET (VALMA) is for young people who have completed basic education but who have not found a suitable study place. Some may find that VET demand for study places exceeds supply; others include the unemployed, jobseekers, immigrants not in education or training and persons with outdated or inadequate vocational skills or requiring special support. VALMA provides learners with capabilities for applying for VET and supports their chance of completing qualifications.

Preparatory education and training for work and independent living (TELMA), is a form of special needs education intended for learners who require special support because of illness or injury to achieve their personal goals and to develop their skills and competences. The aim of the programme is generally to prepare a learning plan and help find a job to earn a living, leading to a good and independent life, also in terms of housing and rehabilitation. An individual education plan is prepared for each learner. Rehabilitation is promoted through multidisciplinary collaboration together with different stakeholder groups, the student's immediate network and rehabilitation service providers.

Other VET (vocational further education and training) prepares learners to the following particular tasks: commercial pilot, airline transport pilot, air traffic controller and tram driver ⁽¹²⁾. It is also designed for learners who want to deepen, complement and expand their vocational skills to areas where there is no VET qualification available.

This report will focus on VET leading to qualifications.

2.2. Government-regulated VET provision

The purpose of VET is to increase and maintain the vocational skills of the population, develop commerce and industry, and respond to its competence needs. Promoting employment and self-employment are key elements of VET.

Initial (for young people) and continuing (for adults) VET are organised under the same legislation and apply common principles ⁽¹³⁾.

Initial VET (vocational upper secondary) provides learners with the vocational skills they need for entry level jobs. It also supports learners' growth into good and balanced individuals and members of society and provides them with the knowledge and skills needed in further studies and in the development of their personalities. A holder of a vocational upper secondary qualification has broad basic vocational skills for working in different tasks in the field as well as more specialised competence and the vocational skills required in work life in at least one section of the field.

⁽¹²⁾ Such tasks are not included in the national qualifications structure because the education and training leading to those professions is based on common European agreements and regulations which differ from the national ones (for instance, the way the qualification is formed and the scope are different). The training is also rather expensive and the private education providers charge considerable fees from students.

⁽¹³⁾ <https://www.finlex.fi/fi/laki/alkup/2017/20170531>

Continuing VET (further and specialist) provides more comprehensive and specialised competences and often requires labour market experience. This is mainly undertaken by adult employees already having an initial VET qualification, though it is not a precondition for enrolment. A holder of a further vocational qualification has vocational skills that meet the needs of the labour market and that are more advanced or more specialised than in initial VET. A holder of a specialist vocational qualification has vocational skills that meet the needs of the labour market and that are highly advanced or multidisciplinary.

All programmes are competence-based. This means that completing a qualification does not depend on where and how competences have been acquired (see Section 2.2.4).

All learners, who have completed basic education, may enrol in VET but each provider decides on the selection criteria. In some regions there is a competition of potential learners between general upper secondary and VET schools. VET often attracts more applicants than there are places available, especially in programmes in social services, health and sports, vehicle and transport technology, business and administration, electrical and automation engineering, and beauty care.

2.2.1. VET programme characteristics

Initial and continuing VET programmes have many similar characteristics. They are presented in this section. From 2019 there are:

- (a) 43 vocational upper secondary qualifications (ISCED 354, EQF level 4, initial);
- (b) 65 further vocational qualifications (ISCED 354, EQF level 4, continuing);
- (c) 56 specialist vocational qualifications (ISCED 454, EQF level 5, continuing).

The duration of studies varies depending on the personal competence development plan drawn up for each learner (see Section 2.2.4). The plan charts and recognises the skills previously acquired by the learner. The scope of the competence in qualifications and units is expressed as competence points: 60 competence points corresponds approximately to one year of studies.

The language of instruction is decided in the licence to provide VET, granted by the Ministry of Education and Culture. In addition to the official languages of Finnish and Swedish (and Sámi in relevant language regions) the instruction can be given in a foreign language.

A VET provider may be a local authority, municipal training consortium, foundation or other registered association or State-owned company (see Section 2.3).

Vocational upper secondary programmes (initial VET) are designed for young people who may not have any work experience and for adults who, for example, have no formal qualification or who want to change their profession. Further and specialist vocational programmes (continuing VET) are for adults who usually have

work experience or other prior learning. However, the work experience or prior qualifications are not a requirement for enrolling in continuing VET.

The share of work-based learning (WBL) is individually planned for each learner in the personal competence development plan. There is neither a minimum nor a maximum limit of work-based learning in regulations, although the share is rising as employers and learners demand it.

Admission to initial VET programmes requires a basic education graduation certificate; for continuing VET it is on a case-by-case basis, taking work experience into consideration.

There are no final examinations in VET. Once learners successfully complete all the studies included in their personal competence development plans, the VET provider grants a certificate for the entire qualification or for one or more units of the qualification.

All VET programmes ensure eligibility for higher education studies. Enrolment is based on a VET certificate and an entrance exam organised by the higher education institution.

The national qualification requirements define the required vocational competence, principles of assessment and how the competence is demonstrated. They are drawn up by the Finnish National Agency for Education in cooperation with the representatives of the employees/self-employed and employers (altogether called 'working life' in Finland).

Each qualification has a number of competence points (ECVET equivalent, mentioned in all diplomas/certificates):

- (a) 180 for initial/upper secondary vocational qualification;
- (b) 120/150/180 for further vocational qualification ⁽¹⁴⁾;
- (c) 160/180/210 specialist vocational qualification.

The standard duration of an initial VET programme is three years. However, it depends on the prior knowledge of the learner, especially in the case of further and specialist VET programmes, and is defined individually for learners in their personal competence development plans.

2.2.2. Vocational units (also known as modules)

All programmes leading to a qualification include vocational units:

- (a) compulsory;
- (b) optional;
- (c) optional units decided by VET provider.

⁽¹⁴⁾ Depending on the complexity and level of a qualification.

All initial vocational qualification programmes also include units/modules of common (rather than occupation-tailored / specific) vocational competence:

- (a) communication and interaction;
- (b) mathematics and science;
- (c) citizenship and working life (see also Section 2.2.3).

The common units/modules may be included in further and specialist qualifications but only if this is seen as necessary when making the personal competence development plan.

2.2.3. Key competences

Key competences help learners keep up with the changes in society and working life. In the wake of the 2018 VET reform (Vocational Education and Training Act, adopted in 2017 and in force since 2018), key competences are no longer addressed as a separate part of vocational competence. They have been modified, so that key competences are included in all vocational skills requirements and assessment criteria. The key competences for lifelong learning are:

- (a) digital and technological;
- (b) mathematics and science;
- (c) competence development;
- (d) communication and interaction;
- (e) sustainable development;
- (f) cultural;
- (g) social and citizenship;
- (h) entrepreneurial.

2.2.4. Personal competence development plan

The 2018 VET reform ⁽¹⁵⁾ aimed at improving the organisation of vocational education to cater more effectively for learner individual study paths. A personal competence development plan is now drawn up for each VET learner at the beginning of the VET programme (both in initial and continuing), usually within the first weeks. The plan is drawn up free of charge by the teacher or guidance counsellor together with the learner and, when applicable, a representative from the world of work. It has to be updated during studies, as needed.

This plan includes information on various aspects: identification and recognition of prior learning; how and which missing skills are acquired based on the learner's current competence and the qualification requirements; how competence demonstrations and other demonstrations of skills are organised; and

⁽¹⁵⁾ <https://www.finlex.fi/fi/laki/alkup/2017/20170531>

what guidance and support may be needed. The plan includes information on necessary supportive measures, such as language, mathematics and digital skills training.

Based on this approach, learners only study what they do not yet know. Their prior learning and work experience is assessed at the beginning of studies by the teacher and/or the guidance counsellor. The qualification requirements are criteria for the assessment. The time it takes to complete a qualification is further determined by the choices the learner makes and how learning is acquired.

It is also possible to complete only part of a qualification. In this case, the learner will receive a certificate of one unit/module (or several units/modules) and the certificate will indicate that the whole qualification will be provided only when all units required for the qualification are completed.

Competence is demonstrated in practical tasks in authentic working environments. The demonstration is usually given separately for every unit of the qualification. Competence is assessed in relation to the vocational and competence requirements provided in the national qualification requirements. The assessment is done with the learner, teacher and working life representative. The VET Act says: 'the assessors have to be specialists in the area of the qualification and they have to be acquainted with the assessment'. The VET provider is responsible for familiarising the assessors with the assessment principles and procedures and with the qualification requirements.

There are no guidelines/regulations on the duration of the assessment; it depends on the theme of the competence test. The schedule of competence demonstrations is planned in the personal competence development plan individually for each learner. When the learner has learned a certain element, the competence demonstration can be arranged. Once the competences of all units which are necessary to complete the qualification are demonstrated successfully, the qualification is completed.

2.2.5. Qualification examples

2.2.5.1. Initial vocational qualification in horse care and management

Qualification holders manage daily stable maintenance and horse care tasks and are able to carry out the essential maintenance tasks associated with horse care, such as care of hooves and tack. In addition to basic competence in the field, qualification holders have specialist skills to work either as a groom or a riding instructor in various sectors of the industry.

The qualification titles produced by the vocational qualification in horse care and management are groom and riding instructor.

2.2.5.2. *Further vocational qualification in horse care and management*

The further vocational qualification in horse care and management comprises eight competence areas that learner may choose to specialise in (usually one area) and corresponding qualification titles (in parentheses):

- (a) provision of equine-assisted services (provider of equine services);
- (b) provision of horse breeding service (same as previous);
- (c) provision of equine massage services (horse massage therapist);
- (d) farriery (farrier);
- (e) tack-making (tack-maker);
- (f) riding instruction (riding instructor, further qualification);
- (g) training and coaching riding horses (trainer of young riding horses);
- (h) provision of training services in harness racing (trainer of trotters).

2.2.5.3. *Specialist vocational qualification in horse care and management*

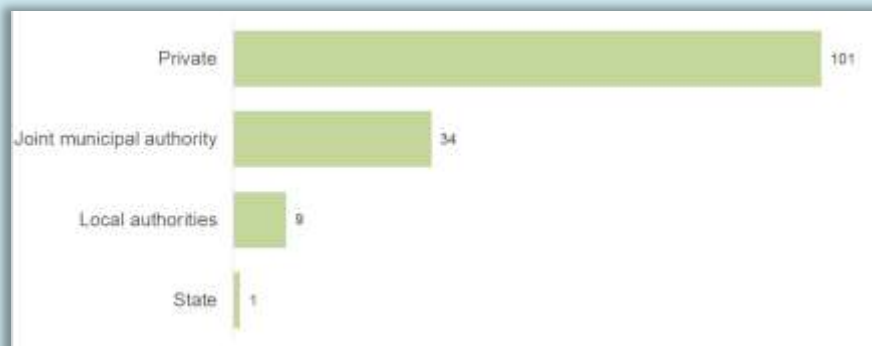
The specialist vocational qualification in horse care and management comprises four competence areas and qualification titles (in parentheses):

- (a) managing horse stables operations (head groom);
- (b) working as a specialist in farriery (farrier);
- (c) equestrian sports management (equestrian sports manager);
- (d) riding instruction (riding instructor, specialist qualification).

2.3. VET providers

Around 70% of VET providers are privately owned and 24% are owned by joint municipal authorities (Figure 10). There are 145 VET providers in total (Figure 10); this is considerably less compared to 2006 as they have been strongly encouraged to merge. This cost-efficiency trend in education has been seen since the mid-1990s. The ministry encourages VET providers towards voluntary mergers to ensure that all education providers have sufficient professional and financial resources for their role.

Figure 10. VET providers by type of ownership



NB: Data as of 30 April 2019.

In addition, there were 16 private VET providers who did not receive the licence, but can continue providing VET for a transitional period.

Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

The most common type of VET providers are vocational institutions, owned by municipalities, industry and the service sector ⁽¹⁶⁾. They provide education and training to more than 75% of initial VET learners. Specialised (usually owned by one private company or association, such as a car manufacturer) and special needs (usually owned by municipalities and associations, e.g. Organisation for Respiratory Health) vocational institutions, fire, police and security service institutions (national), and folk high schools, sports institutions, music schools and colleges (local) account for less than 10% of learners in initial VET. Vocational adult education centres (public and regional) provide mostly further and specialist VET.

Private vocational institutions operating under the 2018 VET Act are supervised by the Ministry of Education and Culture. As with public VET providers, they receive government subsidies and have the right to award official qualification certificates.

Of the total 145 VET providers, 26 are specialised vocational institutions, which are generally maintained by manufacturing and service sector enterprises. They are national private institutions, also referred to as 'government dependent private institutions', that provide training for their own needs outside the national qualifications structure described above (see also Section 3.2.1) and mainly focus on continuing training for their own staff. These institutions (also national private institutions) have been authorised by the Ministry of Education and Culture to provide education and training. Although they receive state funding, most of the

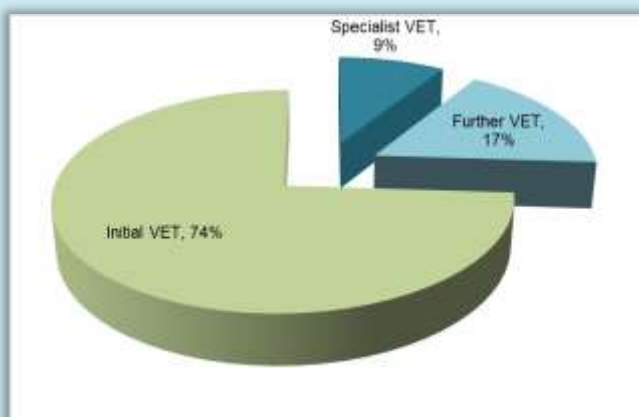
⁽¹⁶⁾ Some VET providers are foundations or limited companies; they are categorised as 'private' but municipalities usually have shares in such companies/foundations.

costs are covered by the enterprises owning them or by the enterprises responsible for them.

2.4. VET learners

Almost three-quarters of 285 000 VET learners are in initial VET, followed by further VET (17%) and specialist VET (9%).

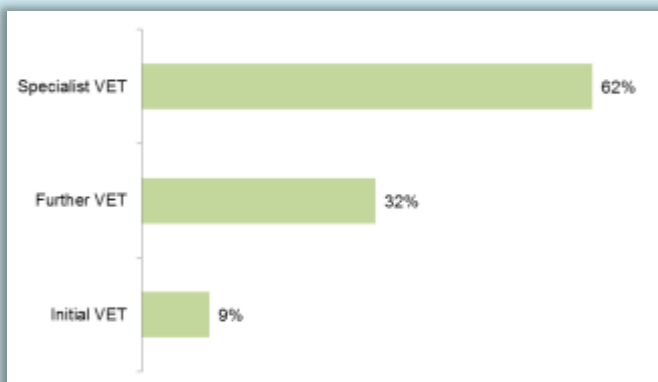
Figure 11. Learners by VET type



NB: 2017 data (most recent).

Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

Figure 12. Share of learners in apprenticeship training by VET type



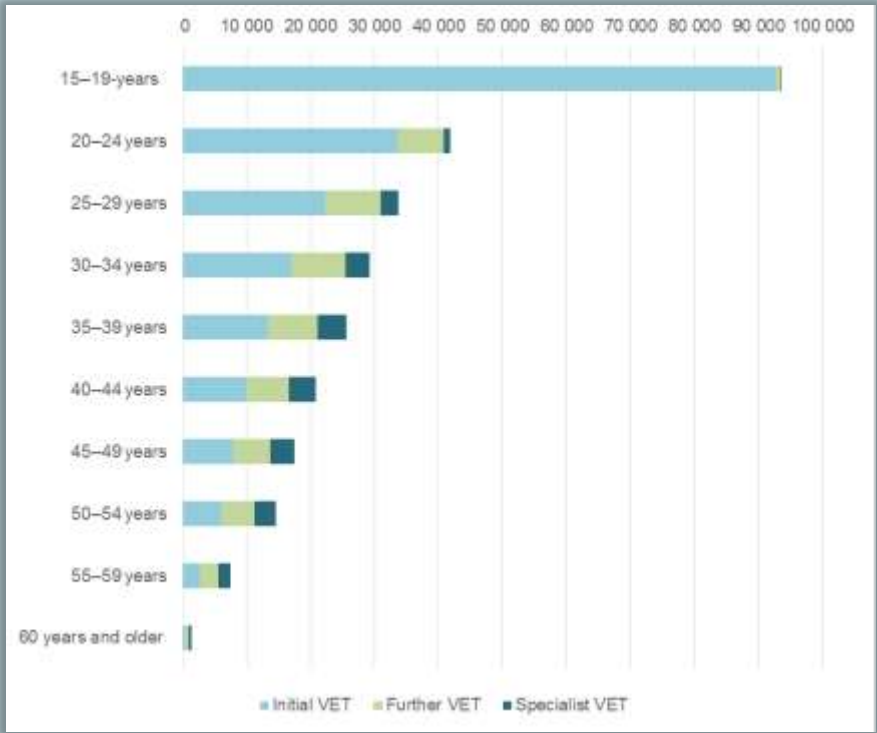
NB: 2017 data (most recent).

Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

Apprenticeships are mainly provided in specialist and further VET. They are becoming more common in initial VET (Figure 12).

The age range of learners is wide (Figure 13).

Figure 13. VET learners by age group and VET type



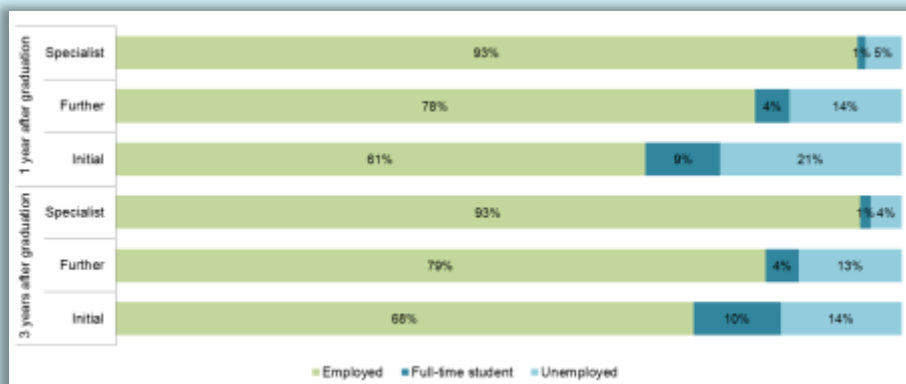
NB: 2017 data (most recent).

Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

Seven out of 10 VET learners are under age 30, mainly 15-19 year-olds entering VET immediately after compulsory education. Almost all learners in this group enrol in initial VET. The share of learners in further and specialist VET increases with their age as those qualifications usually require work experience in order to enrol.

All VET qualifications enable access to higher education but only some learners choose this pathway. Most VET graduates enter the labour market. The average rate of employment from all VET programmes according to the latest data is 56% (Figure 14).

Figure 14. Graduate progression to employment and education



NB: 2016 data (most recent).

Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

The employment rate is the highest for graduates who have completed a specialist vocational qualification, especially through apprenticeships. Approximately 10% of initial VET graduates (especially those not in apprenticeships) have enrolled in another education programme. There are, however, significant differences by study field. For example, employment rates were the highest for VET graduates in health and welfare, and lowest for those in ICT.

2.5. Work-based learning

Work-based learning (WBL) is provided mainly in real work environments (companies). If this is not possible, it can be also organised in school facilities.

The 2018 reform aimed to increase the share of work-based learning in VET by offering more flexibility in its organisation. All learners take part in WBL and any form of it (training agreement or apprenticeship training) may be taken by learners in any qualification programme (see Sections 2.5.1 and 2.5.2). WBL may be provided during the whole programme duration and cover the whole qualification, a module/unit or a smaller part of the programme. The most suitable method for a learner is agreed in the personal competence development plan (see Section 2.2.4).

The legislation does not stipulate a maximum or minimum amount on work-based learning but it strongly recommends VET providers to organise at least part of the learning at workplace. WBL forms may vary during the studies. A learner may flexibly transfer from a training agreement to apprenticeship training, when the prerequisites for concluding an apprenticeship agreement are met (see

Section 2.5.2). Work-based learning is guided and goal-oriented training at a workplace, allowing learners to acquire parts of the practical vocational skills included in the desired qualification.

2.5.1. Training agreement

This type of WBL can be offered in all initial and continuing VET programmes. At the beginning of the training, the personal competence development plan is designed by the teacher/ guidance counsellor, working life representative and the learner. In this plan, the WBL periods are defined.

Learners are not in an employment relationship with the training company. They do not receive salary and employers do not receive any training compensation. But companies gladly recruit people with work experience. Within this system, the learners get some experience during their studies and the learner and the company get to know each other. It is possible to change from a training agreement to an apprenticeship training contract (see Section 2.5.2), if prerequisites for concluding an apprenticeship agreement are met.

A training agreement period can also be conducted abroad, as an exchange period, such as within the Erasmus+ programme or through other programmes or individual arrangements.

2.5.2. Apprenticeship training contract

Any qualification can be acquired through apprenticeship training; this is a work-based form of VET with a written fixed-term employment contract (apprenticeship contract) between an employer and an apprentice, who must be at least 15 years old. Working hours are at least 25 hours per week. Apprenticeships have been mainly used in further and specialist vocational education. Since the 2018 reform, there is no indication in the legislation where the theoretical part should be acquired. The word 'theory' is no longer used; instead, 'learning in the working place' and 'learning in other environments' applies. If the company is able to cover all training needs, there is no need for the learner to attend a school venue at all. Learners themselves find workplaces for the training. The employer has no obligation to keep the apprentice employed after the training period is completed.

VET providers are responsible for initiating the contract. Demand and supply in contracts / workplaces are not always in balance. There are regional and field-specific differences but usually there are not enough apprenticeship places in companies.

Apprenticeship training is based on the requirements for the relevant qualification, according to which the learner's personal competence development plan is drawn up (see Section 2.2.4). It considers the needs and requirements of the workplace and the learner. Approximately 70-80% of the time used for learning

takes place in the workplace, where the apprenticeship contract is concluded. Periods of theory and in-company training alternate but there is no common pattern; it is agreed in the personal competence development plan.

The employer pays the apprentice's wages according to the relevant collective agreement for the period of workplace training. For the period of theoretical studies, learners receive social benefits, such as daily allowance and allowances for accommodation and travel expenses. The education provider pays compensation to cover the costs of training provided in the workplace. The employer and VET institution agree on the amount of compensation before the training takes place; a separate contract is prepared for each learner.

2.6. Financing VET

2.6.1. Current financing system

Education is publicly funded through public tax revenue at all levels. This has been seen in Finland as being a means to guarantee equal opportunities for education for the entire population, irrespective of social or ethnic background, gender and place of residence. Criteria for receiving state funding are uniform for public and private VET providers.

Private funding only accounts for 2.6% of all education expenditure. Its share is slightly higher in upper secondary VET and higher education, but still remains below 5%.

Public funding is mainly provided by the State (~30%) and local authorities (municipalities) (~70%). VET providers decide on the use of all funds granted. In upper secondary VET, operating costs per learner vary from EUR 6 488 for all apprenticeships (companies cover most of the costs) to EUR 27 956 in special needs VET ⁽¹⁷⁾.

In VET (excluding apprenticeships and special needs), funding varies by study field (Table 3).

⁽¹⁷⁾ Based on the most recent available data of 2017.

Table 3. **Operating costs per learner in upper secondary VET by study field in 2012, 2014, 2017 (EUR)**

Excluding apprenticeships and special needs	2012	2014	2017
humanities and education	10 503	9 983	8 962
culture	11 649	12 366	11 136
social sciences, business and administration	8 142	8 153	7 331
natural sciences	8 608	8 666	7 998
technology, communications and transport	11 448	11 465	10 302
natural resources and the environment	16 215	15 619	13 449
social services, health and sports	9 178	9 121	8 288
tourism, catering and domestic services	11 073	11 095	10 417
optional additional year (<i>Valmistavat ja valmentavat koulutukset</i>) (see Section 2.1)	17 070	17 003	15 950

Source: Education Statistics Finland (Vipunen): <https://vipunen.fi/>

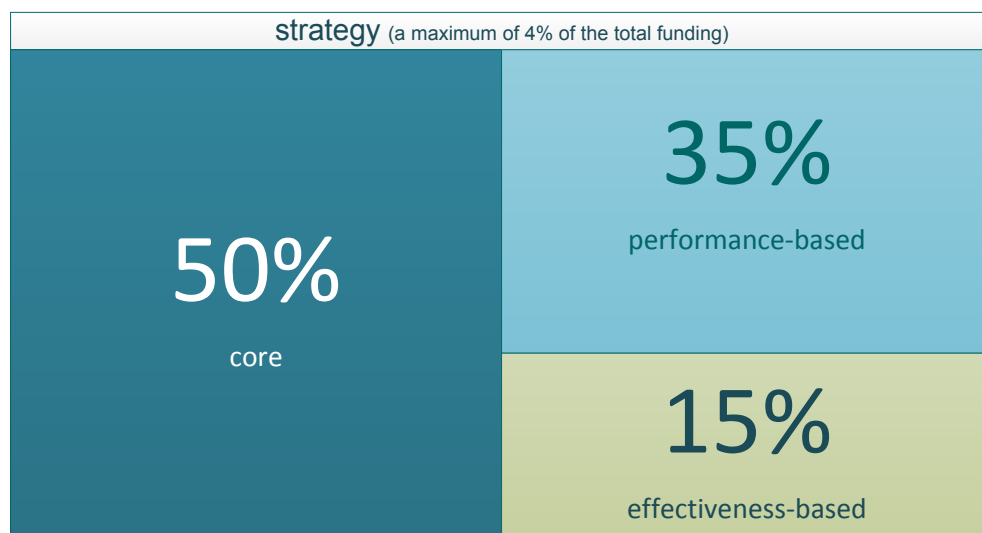
At the beginning of 2018, the unit price of apprenticeship training was increased to the same level as that of institution-based training. This is expected to encourage education providers to increase the offer of apprenticeship training. The employer may also receive a state-funded pay subsidy if the apprentice is a long-term unemployed jobseeker, lacks professional skills, or is disabled.

2.6.2. Finance system focus on performance

With the amendment to the Act on the Financing of the Provision of Education and Culture (532/2017) that entered into force at the beginning of 2018, a single coherent funding system was established for all VET programmes. The act includes one uniform funding system for the provision of VET covering vocational upper secondary education and training, vocational further education and training, apprenticeship training and labour market training leading to a qualification (see Section 2.9.3). Funding criteria are uniform irrespective of the type of education provider.

Moving away from the system that comprises only core funding and a small element of performance funding (5%), in the new system, the funding is divided into core, performance, effectiveness and strategy (Figure 15).

Figure 15. Share of VET funding elements from 2022



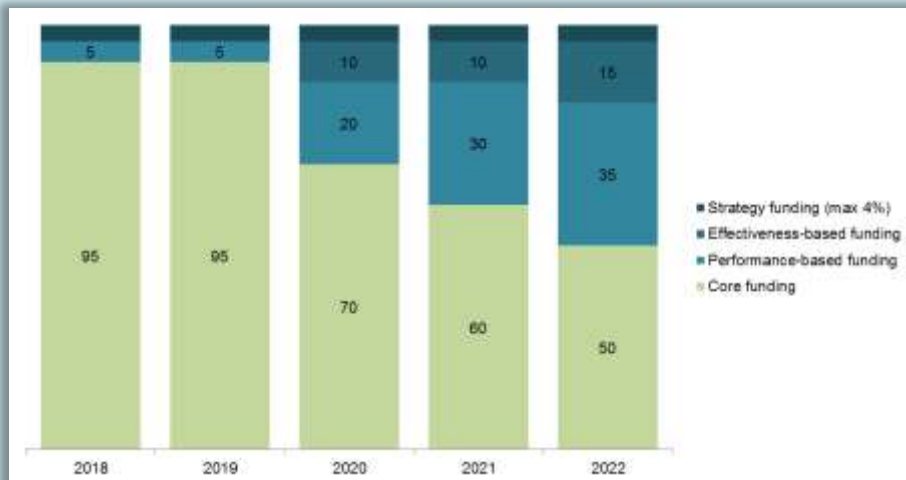
Source: Ministry of Education and Culture; Finnish National Agency for Education (2018).

- (a) 50% core funding based on the number of learners; this is important for forward planning and ensuring future provision of VET in all fields and for all learners;
- (b) 35% performance funding based on the number of completed qualifications and qualification units; this is meant to steer education providers to target education and qualifications in accordance with competence needs and to intensify study processes;
- (c) 15% effectiveness funding based on learners' access to employment, pursuit of further education and feedback from both learners and the labour market ⁽¹⁸⁾; this aims to encourage education providers to redirect education to fields where labour is needed; ensure that education corresponds to the needs of the working life and is of high quality; and provides the learners competence to study further;
- (d) a small amount of strategy funding (decided by the parliament) will also be made available; it is meant to support development and actions that are important from the education policy standpoint. It could be used for national VET development projects, skills competitions and developing education provider network (e.g. mergers).

⁽¹⁸⁾ VET providers must collect these data. The system is not fully operational yet as the new financing system will be ready in 2022.

The new funding system will be introduced gradually and will be fully operational in 2022 (Figure 16).

Figure 16. VET funding elements 2018-22 (%)



Source: Ministry of Education and Culture.

2.6.3. Data collection database KOSKI

The KOSKI national database ⁽¹⁹⁾, introduced in 2018, collects real-time comprehensive data on education to serve both the needs of citizens and different administrative branches. The data are collected from various sources. The following data on every learner are registered by VET providers:

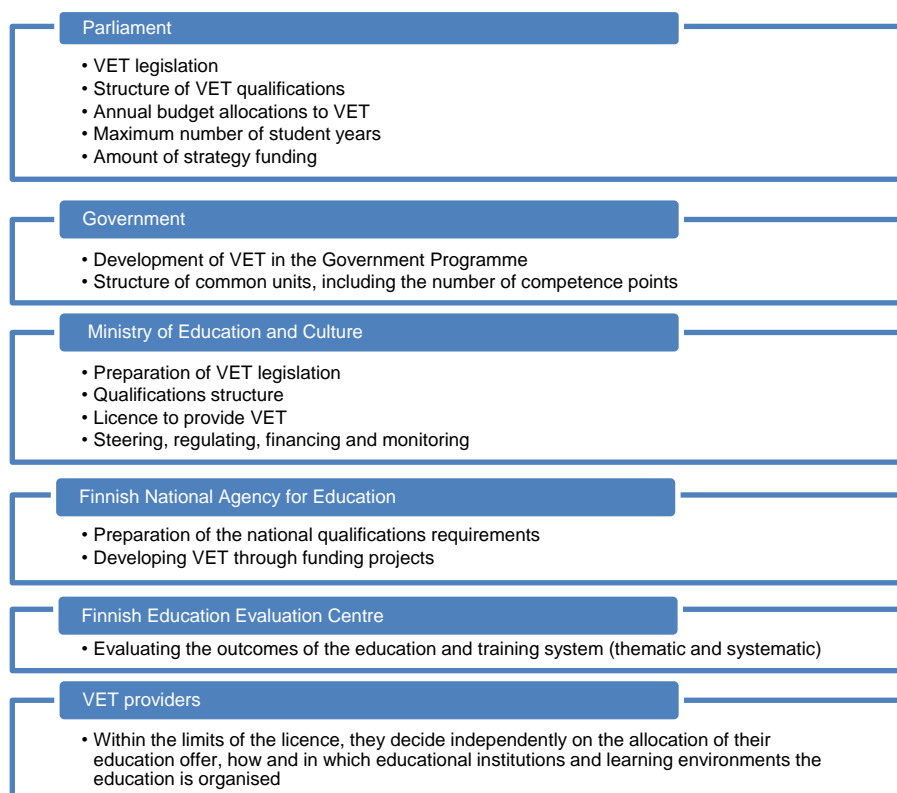
- the qualification being completed; part(s) of qualification or studies;
- the starting date of training; temporary disruption of studies or dropping out;
- units of qualifications and studies, common units and their scope, assessment of competence and completed qualification or education;
- data used in calculating core funding ('student years') and performance-based funding (completed qualifications and qualification units).

⁽¹⁹⁾ <https://beta.oph.fi/fi/palvelut/koski-tietovaranto>

2.7. VET governance

At national level, the general goals for VET and qualifications structure ⁽²⁰⁾, are determined by the Ministry of Education and Culture. The ministry also grants the licences to education providers. The Finnish National Agency for Education decides the national requirements of qualifications, detailing the goals and core contents of each vocational qualification.

Figure 17. **Main VET stakeholders**



Source: Finnish National Agency for Education.

⁽²⁰⁾ Qualification structure is a system of qualifications. It defines how many there are in initial, further and specialist VET qualifications: their share, titles and competence points (total and for common units; their division within the qualification is decided by the Finnish National Agency for Education).

Vocational qualification requirements are developed in broad-based cooperation with stakeholders. The national qualification requirements have been based on a learning-outcomes approach since the early 1990s, so close cooperation with the world of work has been essential.

Cooperation with the world of work and other key stakeholders is carried out to ensure that qualifications support flexible and efficient transition to the labour market as well as occupational development and career change. In addition to the needs of the world of work, development of VET and qualifications takes into account consolidation of lifelong learning skills as well as individuals' needs and opportunities to complete qualifications flexibly to suit their own circumstances.

The Ministry of Education and Culture grants authorisations to VET providers, determining the fields of education in which they are allowed to provide education and training and their total learner numbers. VET providers determine which vocational qualifications and which study programmes within the specified fields of education will be organised at their vocational institutions.

To enhance the service capacity of VET providers, they have been encouraged to merge into regional or otherwise strong entities. Across Finland, education providers cover all VET services and development activities, so vocational institutions offer initial and continuing training both for young people and adult learners. They work in close cooperation with the labour market: their role is to develop their own provision in cooperation with the labour market and to support competence development within small and medium-sized enterprises. The strategy for vocational institutions has been a necessary means to ensure and increase the flexibility of education and training. Consequently, larger vocational institutions can offer enough vocational modules to ensure that learners can customise their programmes and choose studies that match changing needs for competences.

Vocational institutions can organise their activities freely, according to the requirements of their fields or their regions, and decide on their institutional networks and other services.

2.8. Teachers and trainers

2.8.1. Vocational teachers and trainers

Teaching is a popular profession in Finland. The popularity of vocational teacher education has been consistent over the years, because of the flexible arrangements for completing studies, among other reasons. While up to a third of the applicants are admitted annually, there are major variations between different fields.

Those who apply for a place in vocational teacher education are, on average, older than applicants for other forms of teacher education. This is because

applicants are required to have prior work experience in their own field. The average age of applicants and those admitted as learners is approximately 40 years.

The proportion of women among applicants and teacher training learners has increased significantly in recent years. Unlike other teacher education programmes, it is more difficult for women than for men to gain a place in vocational teacher education. There are no major differences between teachers in general education and VET in respect of salaries and terms and conditions of employment.

Although there are no official data for trainers ⁽²¹⁾ on the attractiveness of their profession, the general impression is that trainers are generally satisfied with their training tasks. In many cases, they see more responsibilities and autonomy as recognition of their professionalism; time spent with young learners away from normal routine is also considered to be a reward. Trainers participate in the competence demonstrations involving learner assessment at the workplace. This assessment plays a significant role in learners' final qualification certificates.

Table 4. **Teacher and trainer qualifications**

Teacher of vocational units	Appropriate higher education qualification + minimum of three years of work experience + teacher's pedagogical studies
Teacher of common units	Master level in subject taught / master level in technology + teacher's pedagogical studies
Special needs teacher	One of the qualifications above and special needs teacher in VET studies or other appropriate studies
Trainers	There are no formal qualifications requirements for trainers

Source: <https://www.finlex.fi/fi/laki/ajantasa/1998/19980986#L5>

Teachers of vocational units must have an appropriate higher education degree in their own vocational sector. If such a degree does not exist, it can be supplemented by the highest possible other qualification in the sector. One specific challenge has been to find qualified teachers in some fields. Another challenge is the sometimes limited shop floor experience of teachers with a university degree. In some fields, it is now possible to acquire teaching qualifications by completing a specialist vocational qualification (ISCED 4) or some other qualification or training that provides solid competence in the field concerned.

They must also have pedagogical teacher training, at a level of 60 ECTS credit points, and relevant work experience in their own field. Teachers of vocational units

⁽²¹⁾ In-company trainers (nationally referred to as workplace instructors) are responsible for supervising learners during their on-the-job learning periods or apprenticeship training in enterprises.

take teacher's pedagogical studies at one of five vocational teacher education institutions (universities of applied sciences) while teachers of common units (such as languages and mathematics) generally complete them at universities.

The content of teacher training is updated continuously by vocational teacher education colleges. Teacher education institutions enjoy wide autonomy in deciding on their curricula and training arrangements. Legislation set the qualification requirements, but only at a general level.

There is also considerable autonomy regarding continuing professional development (CPD) for VET teachers. The CPD obligation of teaching staff is defined partly in legislation and partly in the collective agreement negotiated between the Trade Union of Education in Finland and the employers' organisation.

Most continuing training is provided free of charge and teachers enjoy full salary benefits during their participation. Funding responsibility rests with teachers' employers, mainly local authorities. Training content is decided by individual employers and the teachers themselves.

2.8.2. Requirements for trainers

Trainers are generally experienced foremen and skilled workers. They frequently have a vocational or professional qualification but hold no pedagogical qualifications.

There are no formal qualifications requirements to be a trainer in Finland and participation in continuing professional development is left to the individual and their employers.

There are, however, training programmes available to trainers that follow national guidelines (recommendation of the Finnish National Agency for Education). According to the guidelines, training for trainers comprises three modules providing participants with the capabilities required to plan training at the workplace, vocational competence demonstrations, to instruct VET learners and assess their learning, and to impart vocational skills. The Finnish National Agency for Education recommends that, where possible, people acting as trainers should participate in the training of trainers. VET education providers are responsible for providing the training.

2.9. Other forms of training

There are only a few training programmes provided outside the government-regulated sector in Finland. There are a number of private education institutions, offering training for a fee, for example in the service sector. These institutions do not have the right to award qualification certificates. They do not receive public

funding even though they fall under the supervision of the consumer authorities. Learners participating in this type of training also do not receive public learner financial aid.

2.9.1. Liberal adult education

The purpose of liberal adult education is to promote people's versatile development and provide education and training that supports the cohesion of society, equality and active citizenship based on the principle of lifelong learning. An essential aspect is that everyone has the right to apply to take part in it. The education does not provide a degree or qualification, and its content is not governed by legislation.

Education providers make all the decisions on the objectives and content of the studies. Liberal adult education providers comprise local authorities, joint municipal authorities, associations, foundations and limited liability companies. Liberal adult education also includes activities based on values, such as religion or politics. The affiliated organisations can represent various world views or religious beliefs, or act on the basis of local or regional civic needs.

2.9.2. In-service training

In-service training refers to any employee training, paid for by the employer, which relates to an employee's occupation or profession or trade union activities, and which an employee attends at full or reduced pay, or against full or partial compensation in money or time off.

2.9.3. Vocational labour market training

Vocational labour market training is primarily intended for adults who are unemployed or at risk of losing their jobs and who have completed their compulsory education. The goal of vocational labour market training is often to complete a vocational qualification, a further or a specialist vocational qualification, or a vocational qualification module. Further or continuing education is also organised in many sectors. Free vocational labour market training is provided at vocational adult education centres, higher education institutions and private education institutions.

2.10. Recent policy changes

A new Act on VET was adopted in June 2017 and entered into force on 1 January 2018. The implementation of the 2018 VET reform focuses on the following elements:

- (a) a single act on VET: VET for young people and adults provided within the same framework;

- (b) a single licence to provide education and award qualifications for the education provider;
- (c) flexible application and admission systems;
- (d) a clearer range of qualifications that better meets the needs of working life;
- (e) all qualifications are competence-based;
- (f) competence-based and individual study paths for all;
- (g) more versatile learning environments and more work-based learning: training agreements and apprenticeship training;
- (h) labour policy education becomes a part of the VET system;
- (i) one coherent funding system for vocational upper secondary education and training, vocational further education and training, apprenticeship training and labour market training, leading to qualifications that encourages effectiveness and outcomes.

The objective of the 2018 reform has been to renew VET by creating a more competence-based and customer-oriented system and to improve efficiency. In the future, working life will require new kinds of competences while, at the same time, there are fewer financial resources available for providing education. VET also needs to respond more swiftly to changes in working life and operating environment and to adapt to individual competence needs.

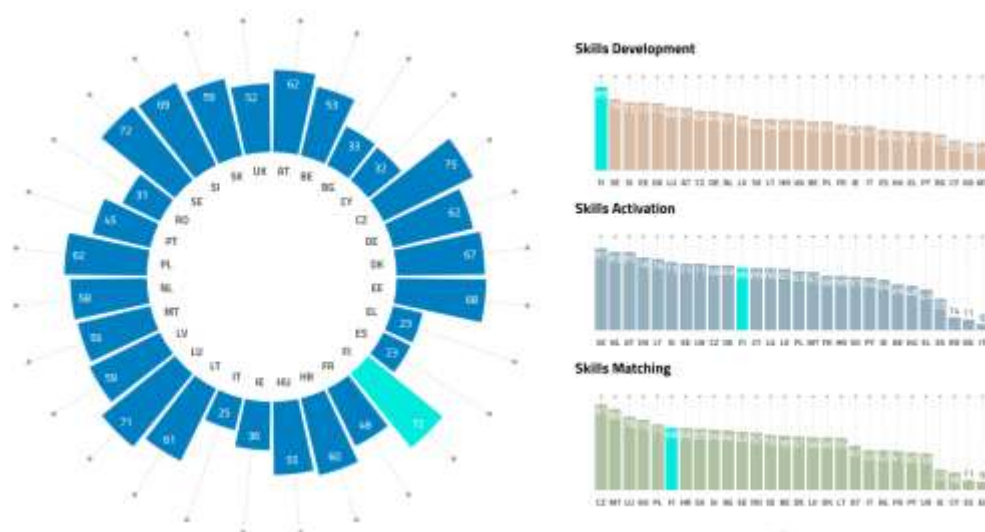
CHAPTER 3.

Shaping VET qualifications



Measuring the performance of the national skills system and comparing it to other systems can be useful to see how the country is doing in terms of skills development, activation and matching. Cedefop's European skills index measures countries' 'distance to the ideal' performance (Figure 18).

Figure 18. **European skills index across Member States**



NB: 2016 data.

Source: European skills index: <https://skillspanorama.cedefop.europa.eu/en/indicators/european-skills-index> [data accessed 2.10.2018].

As shown in Figure 18, Finland is a top performer in skills development; this represents the training and education activities of the country and the immediate outputs of that system in terms of the skills developed and attained. The country is also among top five performers in skills matching: this represents the degree of successful utilisation of skills and the extent to which skills are effectively matched in the labour market. Finland has an average performance in skills activation, indicating the transition from education to work. The overall index points to a high skills equilibrium in the country.

Figure 19. Stakeholder roles in designing qualifications

Stakeholder	Responsibility
GOVERNMENT	Structure of VET qualifications Common units/modules
MINISTRY OF EDUCATION AND CULTURE	VET programmes and their scope
NATIONAL AGENCY FOR EDUCATION	Anticipation of learning and education needs National qualification requirements for VET qualifications and preparatory programmes for VET
Working life	Participate in the anticipation work Develop VET qualifications' structure and requirements
VET providers / teachers	Participate in the expert groups that draw up the qualification requirements

NB: Structure of VET qualifications and the common units/modules can also be determined by the Parliament.

Source: Finnish National Agency for Education.

Vocational qualification requirements are developed in extensive cooperation with stakeholders. The requirements for different qualifications are reformed whenever necessary, either partially or completely. The starting point for launching an updating process can be changes in skills needs in the labour market. These changes can lead to a change in the qualification requirements or even the qualification structure of upper secondary (initial), further and specialist VET.

3.1. Anticipating skills needs

Skills anticipation activities are well-established and linked to policy-making. For a more than a decade, socioeconomic factors such as the effects of the economic recession, the gradually decreasing labour force, and the ageing population have increased the need for better matching of skills supply and demand. As a result, significant investment in skills anticipation has been undertaken by the government

and its partners. The aim is to steer the education system – both VET and higher education – to meet the needs of the labour market.

At the national level, the Finnish National Agency for Education, which operates under the auspices of the Ministry of Education and Culture, produces long-term (10+ years) national forecasts ⁽²²⁾ on the demand for labour and education needs in support of decision-making. It is supported by the Skills Anticipation Forum (see Section 3.1.3), established in early 2017. While the Ministry of Education and Culture decides on study places by field of education (around 10), at regional level there are councils that anticipate skill needs in the municipalities in the region. The forecasting data are also used for guidance and employment counselling to provide information regarding future employment opportunities. The Finnish National Agency for Education also supports regional forecasting efforts, which are carried out under the supervision of regional councils. The goal is to steer the number of learner places in education and training provision to ensure that it matches developments in the demand for labour as closely as possible.

There is generally a high degree of stakeholder involvement in skills anticipation activities. Major trade unions, employers, regional councils, and representatives of education institutions are involved in anticipation exercises. The responsibility of education providers for anticipating and responding to labour market changes has increased, as operational targeting and steering powers have been devolved to universities, universities of applied sciences, and VET providers ⁽²³⁾. Providers are required to play an active role in addressing national/regional labour market skills needs.

A wide range of national and regional EU-funded anticipation and forecast projects are also carried out by organisations such as research institutions, labour market and industry organisations, VET providers, universities and universities of applied sciences. Regional anticipation activities have developed particularly rapidly in the past decade. Key players in these activities include regional councils, the Centres for Economic Development, Transport and the Environment (ELY Centres), VET providers, and higher education institutions.

⁽²²⁾ <https://beta.oph.fi/fi/tilastot-ja-julkaisut/julkaisut/osaaminen-2035>

⁽²³⁾ This means, among other things, that VET providers can decide within the limits of the licence received from Ministry of Education and Culture what qualifications and training programmes to offer.

Box 1. Omnia: a VET provider that anticipates skills needs

Omnia, the Joint Authority of Education in Espoo Region is one of the biggest VET providers in Finland. It anticipates skill needs through participation in the employment group of public employment and business services of Espoo. Omnia is represented in meetings with labour administration, where it receives feedback about its training provision and advance information from future training needs. The VET provider is also a member of the 'anticipation chamber' (*ennakointikamari*) of the capital region, comprising Helsinki region chamber of commerce, regional council of Uusimaa, VET providers, universities of applied sciences, employers and companies of Uusimaa region. It also collects data on the training needs from its member municipalities (Espoo, Kauniainen and Kirkkonummi) and utilises the national anticipation data.

Governance and funding of the relevant exercises are in the remit of three ministries (Education and Culture, Finance, Economic Affairs and Employment). These ministries engage in a variety of skills anticipation exercises, taking advantage of the long-term baseline forecasts of economic development from the Institute for Economic Research (Valtion Taloudellinen Tutkimuskeskus), a specialised state institution under the Ministry of Finance. The first regional anticipation projects were launched at the beginning of the 2000's. The ministries finance mostly development prognoses of branches, which also include demand for labour.

Skills anticipation influences government policies on VET, higher education and adult education. Forecasts of future skills demand have an impact on decisions about education supply. Skills anticipation also has an impact on curriculum planning in VET and higher education institutions.

Dissemination of the data generated by skills anticipation exercises is an important element of the anticipation activity. The aim is to make the outputs from anticipation exercises accessible to a wide audience (including policy-makers, employers, jobseekers and young people) through a range of channels including reports, workshops and online publications. Despite the focus on dissemination of skills anticipation data, there is a need to improve the user friendliness of the existing database; this will help inform learners, jobseekers and employers better ⁽²⁴⁾.

⁽²⁴⁾ This section is based on Cedefop (2017). *Skills anticipation in Finland*. Skills Panorama analytical highlights series.
http://skillspanorama.cedefop.europa.eu/en/analytical_highlights/skills-anticipation-finland

3.1.1. Quantitative anticipation

The Finnish National Agency for Education is responsible for quantitative anticipation. It has developed the *Mitenna* model for anticipation of long-term demand for labour and education needs. The model provides long-term data on changes in the demand for labour, natural wastage of labour ⁽²⁵⁾, demand for skilled labour and education needs. Quantitative anticipation is used to provide information on quantitative needs for vocationally and professionally oriented education and training in upper secondary vocational education and training, university of applied sciences education and university education. The focus is on anticipating the demand for labour over a period of circa 15 years (Hanhijoki et al, 2012).

3.1.2. Qualitative anticipation

The Finnish National Agency for Education coordinated a project on future competences and skills, known as the VOSE project, between 2008 and 2012. The aim of this project was to create a process model for anticipating vocational competence and skills needs for the future (looking 10 to 15 years ahead).

The knowledge produced through the model serves different levels of education, including vocational, university of applied sciences and university education. Anticipatory knowledge may be utilised, for example, in the national core curriculum, in curriculum planning and the development of education content.

The development of the anticipation model has involved social partners representing the piloted sectors (real estate and building, social and welfare and healthcare, and tourism and catering), representatives of research institutions and of various fields of education, and other experts in the sectors in question.

The anticipation model created in the VOSE project is now used in the qualitative anticipation of education and training. The model is used to anticipate the skills needs in two to three fields every year ⁽²⁶⁾.

3.1.3. National forum for skills anticipation

The National Forum for Skills Anticipation (*Osaamisen ennakointifoorumi*) serves as a joint expert body in education anticipation for the Ministry of Education and Culture and the Finnish National Agency for Education. The system consists of a steering group, anticipation groups and a network of experts. The task is to use the anticipation data to analyse changing competence and skills needs and their impact on the development of education, and to promote the interaction of education and

⁽²⁵⁾ A reduction in the number of employees, which is achieved by not replacing those who leave.

⁽²⁶⁾ https://www.oph.fi/english/education_development/anticipation

training with working life in cooperation with the Ministry and Finnish National Agency for Education. Anticipation groups consist of representatives of employers, employees, education providers, education administration, teaching staff and research in each field. Anticipation groups are involved in both qualitative and quantitative anticipation work. There are nine anticipation groups representing the following fields:

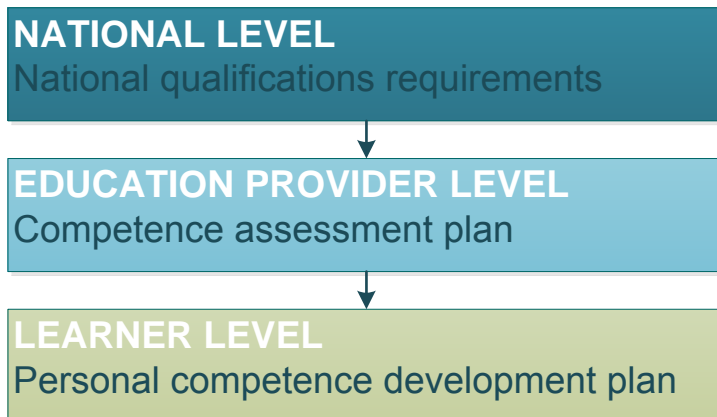
- (a) natural resources, food production and the environment;
- (b) business and administration;
- (c) education, culture and communications;
- (d) transport and logistics;
- (e) hospitality services;
- (f) built environment;
- (g) social, health and welfare services;
- (h) technology industry and services;
- (i) process industry and production.

3.2. Designing VET qualifications

The VET qualification system consists of the:

- (a) national qualification requirements;
- (b) education provider's competence assessment plan;
- (c) learner's personal competence development plan.

Figure 20. **Designing VET qualifications**



Source: Finnish National Agency for Education.

3.2.1. National qualification requirements

Before the 2018 reform, the national qualification requirements for different qualifications had been updated every 5 to 10 years on average; they could also be updated whenever necessary, either partially or completely. Since 2018, updating the qualifications became a continuous process based on changing needs in the world of work and the results of skill needs anticipation.

The starting point for updating a qualification may be changes in skills needs in the labour market. These changes can lead to a change in qualification requirements or even the qualification structure of initial, further and specialist vocational qualifications. Changes to the qualification structure require that qualification requirements are also renewed. The process of preparing a qualification requirement document usually takes one to two years.

Within the national qualifications framework (NQF), the Finnish National Agency for Education has placed upper secondary vocational qualifications and further vocational qualifications at level 4 (referenced to level 4 of the EQF) and specialist vocational qualifications at level 5. The ECVET system ⁽²⁷⁾ was put into practice in Finland in 2014 and, since the beginning of August 2018, vocational upper secondary qualifications, in accordance with the ECVET recommendation, have covered 180 credits, further vocational qualifications 120, 150 or 180 credit points and specialist vocational qualifications 160, 180 or 210 credit points. One year of full-time study corresponds to 60 credit points.

The qualification requirements are drawn up under the leadership of the Finnish National Agency for Education in cooperation with employers, employees and the education sector. Self-employed people are also represented in the preparation of qualification requirements in fields where self-employment is prevalent. The qualification requirements determine the units included in the qualification, any possible specialisations made up of different units, selection of optional units in addition to compulsory ones, the vocational skills required for each qualification unit, the guidelines for assessment (targets and criteria of assessment) and the ways of demonstrating vocational skills.

The qualification requirements and the vocational competences form the basis for identifying the types of occupational work processes in which vocational skills for a specific qualification can be demonstrated and assessed.

When an update is initiated, Finnish National Agency for Education sets up a qualification project, inviting experts representing employees, employers and teachers in the field to participate. In the course of its work, the expert group must also consult other experts in the world of work. Once the expert group has

⁽²⁷⁾ <http://www.cedefop.europa.eu/en/events-and-projects/projects/european-credit-system-vocational-education-and-training-ecvet>

completed a draft version of the new qualification requirements, the document is sent out to representatives of unions, organisations, the world of work and VET providers for consultation. Following this process, the Finnish National Agency for Education adopts the qualification requirements as a nationally binding regulation.

The Finnish National Agency for Education determines the working life committee under which the specific qualification will fall, or establishes a new working life committee for the new qualification. Working life committees ⁽²⁸⁾ are tripartite bodies consisting of employer and employee representatives, teachers and self-employed people. They play a key role in the quality assurance of VET. They participate in ensuring the quality of the implementation of competence demonstrations and competence assessment, as well as developing the VET qualifications structure and qualification requirements.

Vocational qualifications are structured in a modular way; the modules comprise units of work or activities found in the world of work. Each vocational qualification unit covers a specific occupational area which can be isolated into an independent and assessable component. The vocational skills requirements determined for each qualification unit focus on the core functions of the occupation, mastery of operating processes and the occupational practices of the field in question. These also include skills generally required in working life, such as social skills and key competences for lifelong learning. All qualification requirements share a common structure.

The targets of assessment defined in the qualification requirements indicate those areas of competence on which special attention is focused during assessment. The criteria for assessment have been derived from the vocational skills requirements. The assessment criteria determine the grades awarded for units in upper secondary vocational qualifications and the standard of an acceptable performance in further and specialist qualifications. The section entitled 'Ways of demonstrating vocational skills' describes how candidates are to demonstrate their vocational skills in demonstrations.

The qualifications requirements adopted by the Finnish National Agency for Education are published in electronic form on the Finnish National Agency for Education website.

3.2.2. Competence assessment plans

Competence assessment plans are prepared by the respective education provider for each training programme or qualification. The plan details the guidelines and procedures adopted by the education provider regarding the implementation of

⁽²⁸⁾ There are 39 working life committees in 2018-20.

competence assessment. The plan includes how the following aspects are carried out (who does what, how, where it is registered and how the student, staff and stakeholders ⁽²⁹⁾ are informed): recognition of prior learning; demonstration of competence; ensuring skills before the demonstration of competence; assessment, certificates; preparatory programmes and monitoring the implementation of the plan itself.

The competence assessment plan is used by teachers, guidance personnel and assessors of competence. The feasibility of the plan is self-monitored and self-assessed by VET providers as part of their quality assurance system. The plan is attached to the application for a licence to provide VET.

3.2.3. Learner personal competence development plan

At the beginning of VET, study objectives for competence development are recorded in a personal competence development plan for each learner. A teacher draws up the plan together with a learner. An employer or another representative of a workplace or other cooperation partner may also participate in preparing the plan, when required. The plan includes information on identification and recognition of prior learning, acquisition of missing skills, competence demonstrations and other demonstration of skills, and the guidance and support needed. Prior learning acquired in training, working life or other learning environments has to be recognised as part of the qualification. The learner can also include units from general upper secondary curriculum, other vocational qualifications (including further vocational qualifications and specialist vocational qualifications) or degrees from universities of applied sciences in his personal competence development plan. The plan can be updated during the studies whenever necessary.

3.2.4. The world of work in developing qualification requirements and VET quality

Representatives of the world of work participate in anticipating skills and education needs both nationally and regionally, for example through anticipation groups, advisory committees and consultation processes. They participate in drawing up qualification requirements at national level and they are represented in working life committees.

At regional level, representatives from enterprises participate in the organisation and planning of training and skills demonstrations, regional committees as well as assessment of skills demonstrations. This allows continuous feedback from the world of work.

⁽²⁹⁾ Teachers, guidance and counselling staff and assessors of competence.

In 2017, the former 30 national education and training committees were replaced by nine anticipating groups representing different vocational fields (see Section 3.1.3). Members of these groups are representatives of employers, employees and self-employed entrepreneurs, as well as VET providers, higher education institutions, teaching staff, researchers and education administration. The anticipating groups are appointed until 2020. Their tasks include:

- (a) analysing changing and new competence and skills needs of working life and their implications on different levels of education;
- (b) offering recommendations for the development of VET programmes;
- (c) strengthening cooperation between upper secondary VET and higher education;
- (d) providing public authorities with recommendations on new development needs and cooperation between the world of work and education.

3.3. Validation of non-formal and informal learning

Validation of non-formal and informal learning has relatively long and established roots in Finland and the legislation and policies are well developed and detailed. However, there is no single law for this; laws and regulations for each field of education define validation separately. These fields include general upper secondary education, vocational education and training (including continuing VET), and higher education. The core message of the legislation is that validation of non-formal and informal learning is a subjective right of the individual and the competences of an individual should be validated regardless of when and where they have been acquired. Validation is based on one of two possibilities:

- (a) documentation presented;
- (b) competence demonstration.

The Vocational Upper Secondary Education and Training Decree 673/2017 (Government, 2017) defines the principles of recognition of prior learning. Each student's personal competence development plan must include recognition of prior learning. Prior learning acquired in training, working life or other learning environments has to be recognised as part of the qualification. Recognition of prior learning must be done in all VET qualifications: vocational, further and specialist.

3.4. Quality assurance

Continuous improvement of VET quality is a key priority in Finland. The following activities are essential when ensuring that vocational education and training meets the requirements of the world of work.

Figure 21. Stakeholder roles in assuring VET quality

Ministry of Education and Culture	<ul style="list-style-type: none"> - Education policy guidelines and strategic definitions of policy - Preparation and implementation of legislation - VET sector steering and supervision - Licence to provide education - Finance and resources
Finnish National Agency for Education	<ul style="list-style-type: none"> - Development of VET - Qualification requirements and other regulations - Support of quality assurance and development, guidance and counselling to VET providers - Anticipation of skills needs - National reference point of European quality assurance in VET
Finnish Education Evaluation Centre (FINEEC)	<ul style="list-style-type: none"> - Evaluation data for decision making and development - External evaluation of quality assurance systems, evaluation of learning outcomes and thematic and system evaluations - Support of quality assurance and evaluations to VET providers - International cooperation - Development of education evaluation
Working life committees	<ul style="list-style-type: none"> - Quality assurance of competence tests and assessment of learning - Participation in development of qualification structure and qualification requirements - Utilisation of evaluation data and feedback information in working life committees' own work
VET providers	<ul style="list-style-type: none"> - Evaluation of the quality and effectiveness of education and operation and their constant improvement - Regular participation in external evaluations - Utilisation of evaluation data and feedback information in VET provider's own work
Learners and working life	<ul style="list-style-type: none"> -Feedback from VET -Participation in building VET system and its implementation -Participation in the production of the evaluation data as part of the evaluation made by FINEEC

Source: Finnish National Agency for Education.

The quality assurance of VET consists of the VET provider's own quality management, national VET steering and external evaluation.

VET legislation sets the frame for VET provider operations. The law requires that the VET provider is responsible of the quality of qualifications and programmes offered and of their constant improvement. VET providers have to have a functional quality assurance system in place. According to the law, they must evaluate several aspects of the qualifications, programmes and other operations: quality, effectiveness (employability, pursuit of further education and feedback from learners and working life) and 'profitability' (how well the operations have met the needs of the learner and the world of work and have the resources been used in optimal way). The purpose of VET provider self-evaluation is to recognise strengths and targets to be developed. The ministry offers the non-compulsory criteria of self-evaluation to support the process.

National VET steering consists of legislation and regulations related to financing and qualification requirements. It also consists of quality strategy, quality award competition, government subsidies for quality improvement, supporting materials produced by the ministry and the agency, and criteria for self- and peer evaluation.

According to the VET legislation, VET providers also have to participate regularly in external evaluation of their operations and quality management systems, and publish the main results of those evaluations. External evaluation includes the quality assurance of competence demonstrations and competence assessment made by the working life committees and evaluations made by the Finnish Education Evaluation Centre.

3.4.1. Supervision of qualifications

Working life committees are responsible for supervising qualifications. Their aim is to ensure the quality and working life orientation of VET. They are statutory bodies of elected officials, appointed by the Finnish National Agency for Education to manage a public duty, including:

- (a) ensuring the quality of the implementation of competence demonstrations and assessment;
- (b) participating in the development of qualification structure and vocational qualifications;
- (c) processing learners' rectification requests concerning competence assessments.

Working life committee members handle these tasks for three years, in addition to their regular duties. A maximum of nine members may be appointed to each committee, representing employers, employees, teachers and, if self-employment is common within the sector in question, self-employed professionals. There are 39 working life committees. Each working life committee is responsible for one or more qualifications. The committees participate in developing the qualification structure and in designing qualification requirements. They also participate in quality assurance of skills demonstrations and assessment through national feedback, follow-up and evaluation data, and may also visit the skills demonstrations events, when necessary. Finally, they handle the requests related to the rectification of assessment.

3.4.2. Quality assurance of VET providers

VET legislation gives education providers a great deal of freedom in deciding on the measures related to their education provision, use of public funding and quality management. The legislation obliges the providers to evaluate their training provision and its effectiveness as well as participating in external evaluations. This

means that the education providers need to have relevant and functional quality management measures (selected by VET providers).

Self-evaluation and external evaluation supports VET providers' continuous improvement and results-oriented performance. Through evaluation, providers obtain information about major strengths and development needs. They monitor, assess and analyse results achieved systematically through means such as surveys, quantitative indicators and self-evaluation. VET data and information are most often collected through surveys ⁽³⁰⁾ and assessments of learning outcomes. The VET provider collects the feedback from learners and saves the learners' answers in the online system that has been developed for this purpose. The Ministry of Education and Culture and the Finnish National Agency for Education have access to the results.

External evaluation of training ⁽³¹⁾ is frequently carried out, for example by the Finnish Education Evaluation Centre. Internal audits, benchmarking and peer reviews are other methods employed in evaluation.

3.4.3. Learner feedback

Starting from 2020, one sixth of effectiveness-based funding will be granted to VET providers based on the feedback from learners. The feedback is collected via a centrally designed questionnaire which learners answer twice: at the beginning of the studies and at the end, once the learner has demonstrated all the skills and competences needed for the qualification. Learner feedback and its collection are regulated in the legislation.

In the questionnaire the learners respond to statements rating them on a five-point scale from one (strongly disagree) to five (strongly agree). At the beginning of their studies learners are required to rate statements relating to the following aspects: flexibility of starting time of studies and content of the individual programme; accreditation of prior learning; and support and guidance needed. At the end of their studies, learners give feedback concerning the following aspects: flexibility in studies; the ways teaching facilities and learning environment supported studies; receiving support and guidance during studies; equity between learners and workers at the workplace; opportunities to study and learn in the workplace; gaining entrepreneurial competence; and assessment of their individual competence and readiness for working life and further studies.

⁽³⁰⁾ VET providers collect feedback from learners twice: at the beginning of studies and at the end.

⁽³¹⁾ The term used in the legislation.

3.4.4. New quality assurance guidelines

The new quality assurance guidelines are currently being discussed by stakeholders to be published by end-2019. A VET quality strategy was drawn up by the Ministry of Education and Culture in 2011. With the 2018 system reform, the significance of quality management is increasing, together with the providers' role in managing VET. The new strategy is intended to cover all parts of the national quality assurance system:

- (a) VET provider quality management;
- (b) national steering of VET;
- (c) external evaluation of VET, excluding the option for VET providers to select themselves.

CHAPTER 4.

Promoting VET participation



4.1. Incentives for learners

Equal opportunities are a long-standing fundamental principle of Finnish education policy. The background of learners, including their financial circumstances, should not be a barrier to participation in education. Most education provision is publicly funded and free for learners from pre-primary to higher education levels. Financial support is also available for learners of all ages.

4.1.1. Financial support for full-time learners

Financial support is available for full-time VET learners. The main forms of support are study grants, housing supplements with transport subsidy, and government guarantees for student loans. The first two of these are government-financed monthly benefits, while student loans are granted by banks.

4.1.1.1. Study grants

A study grant is available as soon as eligibility for child benefit finishes at the age of 17. The monthly amount before tax ⁽³²⁾ is between EUR 38.50 and EUR 249.01 depending on age, marital status and type of accommodation.

4.1.1.2. Housing supplement and transport subsidy

The housing supplement covers 80% of the rent but may not exceed EUR 201.60 per month. School transport subsidy is also available when the distance between home and school exceeds 10 km and the monthly cost of travel is at least EUR 54.

4.1.1.3. Government guarantees for student loans

The government guarantees that student loans (with some exceptions) are available to learners who are receiving a study grant. A loan guarantee can, however, also be granted to learners, who are not receiving a study grant: if they live with their parent and they are 18–19 years of age and attend a secondary level educational institution, or if they are under 17 and live alone.

Student loans are available from banks operating in Finland. The lending bank will check the loan guarantee details with the social insurance institution of Finland (Kansaneläkelaitos or KELA) when granting a loan. Interest, repayment and other terms and conditions applying to the loan are agreed between the bank and the learner. The amount of the loan is EUR 300 per month (in secondary education for

⁽³²⁾ Learners pay taxes from their allowances if they receive income from other source(s).

learners under age 18) or EUR 650 per month (in secondary education for learners aged 18 or older) ⁽³³⁾.

4.1.1.4. *Learning material supplement*

Although upper secondary education is free of charge, learners are required to buy their own learning materials (books, toolsets and any other materials). A learning material supplement of EUR 46.80 per month (equals to approximately EUR 1 400 for three semesters) is to be granted from August 2019 onwards for VET learners if they are:

- (a) from 17 to 19 and living with their parents/guardians;
- (b) 17 years old and living on their own;
- (c) below 17 and their parents' annual income is less than EUR 41 100.

4.1.2. **Study leave for employees**

All employees in a contractual and public-service employment relationship are entitled to study leave when the full-time employment relationship with the same employer has lasted for at least one year ⁽³⁴⁾. The maximum length of the study leave with the same employer is two years over a period of five years. If the employment has lasted for less than a year but at least three months, the maximum length of study leave is five days.

The studies must be subject to public supervision. The study leave is unpaid unless otherwise agreed with the employer.

4.1.3. **Employment Fund support for adult learners**

The Employment Fund, administered by social partners of the Finnish labour market, supports employees' professional development leading to a qualification. In 2015, the fund granted EUR 157 million in adult education allowance and scholarships for qualified employees.

4.1.3.1. *Adult education allowance*

An adult education allowance is available to employees and self-employed people who wish to go on study leave for at least two months. The allowance is a legal right and can be granted to an applicant who has a working history of at least eight years (or at least five years by 31 July 2010), and who has been working for the same employer for at least one year. To qualify for the allowance, the applicant must

⁽³³⁾ <https://www.kela.fi/web/en/financial-aid-for-students>

⁽³⁴⁾ Over one or several periods.

participate in studies leading to a qualification or in further vocational training organised by a Finnish education institution under public supervision. The duration of the allowance is determined on the basis of the applicant's working history and ranges from 2 to 15 months. Since 1 August 2010, the amount of the allowance has been equal to the amount of the earnings-related unemployment allowance. For example, in 2019, on the basis of a monthly salary of EUR 2 000, a learner will receive a gross education allowance of EUR 1 185.34 ⁽³⁵⁾.

4.1.3.2. Scholarships for qualified employees

A scholarship is available for those who have completed a vocational, further or specialist qualification. The amount of the one-time scholarship is EUR 390 and it is tax-free. The scholarship must be applied for within a year after completing the qualification.

Table 5 summarises incentives available for learners and employees, supporting their participation in VET.

Table 5. **Incentives available for learners and employees supporting participation in VET**

	Study grants (KELA)	Student loans	Housing supplement (KELA)	Support for school transportation	Adult education allowance	Scholarships for qualified employees	Study material support
Employee on study leave		x	x		x	x	
Full-time learner in upper secondary education	x	x	x	x			x

NB: The amount varies by age, living arrangement and income. Study material support applies only to those under age 20 whose guardians' annual income is EUR 41 100 or less or those under age 18 not living with guardians.

Source: Finnish National Agency for Education.

⁽³⁵⁾ <https://www.tyollisyyssrahassto.fi/en/benefits-for-adult-students/full-adult-education-allowance/>

4.2. Incentives for enterprises

Depending on the agreement between employer and employee, an employer who takes on an apprentice may receive training compensation to cover the costs of training provided at the workplace. The amount of compensation to be paid to the employer is agreed separately with the employer and VET provider as part of each apprenticeship contract. Average training compensation varies between EUR 100 and EUR 200 per month for an initial VET qualification and between EUR 10 and EUR 100 per month for continuing VET. It is funded by municipal funds and is paid either by the local apprenticeship centre or the education institution providing apprenticeship training.

4.3. Guidance and counselling

Guidance and counselling start at the beginning of basic education and continue through all education levels. The guidance and counselling provided within the education system are complemented by guidance services offered by public employment offices.

In upper secondary VET, guidance counsellors play a key role in coordinating, planning and implementing guidance and counselling. VET learners have a right to receive guidance and every VET provider has a guidance counsellor available (providers can share this service).

Teachers also play a big role in giving guidance for learners; guidance is an integral part of the work of all teachers. A teacher's task is to guide and motivate learners to complete their qualifications, support them in planning their further studies, help them to find their strengths and develop their learning skills. Guidance and counselling should enable all pupils to achieve the best results possible for them. Guidance in the workplace is coordinated by a qualified trainer.

Teachers working as guidance counsellors in Finnish schools must have a teacher training qualification at master level, supplemented by studies in guidance and counselling.

Topics covered by guidance and counselling include different education and training options, developing learners capabilities to make choices and solutions concerning education, training and future career. Educational support and guidance also covers areas such as support for learning according to the individual capacity of the learner, school attendance and learner welfare.

There have been few major changes to guidance and counselling during recent years but within the 2018 VET reform its role has been emphasised. VET was made more individual and flexible for learners.

Learners' individual needs and existing competences are taken into account in all vocational studies. A personal competence development plan is prepared for each learner, drawn up by the teacher or guidance counsellor together with the learner and, when applicable, a representative from the world of work. The plan identifies and recognises the skills previously acquired by the learner and outlines what kind of competences the learner needs and how they will be acquired in different learning environments.

In addition to guidance and counselling related to learning methods and practices, the personal competence development plan includes information on necessary supportive measures. The support received by a learner may include special teaching and study arrangements due to learning difficulties, injury or illness, or studies supporting learning abilities.

4.4. Challenges and development opportunities

The Finnish Education Evaluation Centre has highlighted in its review ⁽³⁶⁾ the main results of the competence-based, customer-oriented and efficient vocational education and training evaluation (2016-17). In the evaluation, the competence-based approach related to the qualification reform in vocational upper secondary education; the factors enhancing and hindering the realisation of the approach were examined from a future-oriented perspective. The evaluation also looked at the effects and risks of the 2018 VET reform and produced information on the critical success factors and development needs related to it.

- (a) The competence-based approach has provided a good foundation for a structural change in VET. It has simplified the qualification system, broadened qualifications and increased customer orientation by making studies more flexible and more individualised, by intensifying the cooperation between working life and education providers, and by bringing VET closer to working life. However, as qualifications are becoming more broad-based, it is important to ensure that they correspond to the knowledge and competence base required in occupations.
- (b) With the competence-based approach, there will be less regulation of the qualification system, the steering system will be lighter and education providers will have more autonomy and responsibility.
- (c) The competence-based approach has significantly changed the work and job descriptions of teaching staff, which has greatly challenged the development of their competence and capacities.

⁽³⁶⁾ See Korpi, A. et al (2018).

- (d) The provision of a sufficient number of workplaces and workplace instructors, the competence of workplace instructors and securing sufficient support and guidance for learners and workplace instructors will be critical for the successful implementation of the competence-based approach.
- (e) The role of quality management and quality assurance will be more important as competence is increasingly acquired at workplaces and other learning environments. With the discontinuation of qualification committees and local boards for vocational skills demonstrations, the new working life committees will play an important part in quality assurance in education.
- (f) From the point of view of the competence-based, customer-oriented approach and operational efficiency, there is a lot of unused potential in the cooperation between education providers.
- (g) Cost structures have changed because of the competence-based approach and will continue to do so as the reform progresses. The focus will move to providing advice and guidance to learners, learning at workplaces, cooperation between education providers, development of staff competence and development of pedagogical practices and learning environments. In the future, more appropriations will be needed and they will have to be more clearly allocated to developing these activities.
- (h) With reforms made in funding, efficiency and effectiveness will become more important, which will support the provision of working life-oriented and competence-based education and training. However, the changes in funding and activities also involve risks for the quality of education, the operating preconditions of education providers and equality between different regions.

Acronyms and abbreviations

Cedefop	European Centre for the Development of Vocational Training
ECVET	European credit system for vocational education and training
EQF	European qualifications framework
EU	European Union
ICT	information and communications technology
ISCED	international standard classification of education
KELA	<i>Kansaneläkelaitos</i> , Social Insurance Institution of Finland
TELMA	preparatory education and training for work and independent living
VALMA	preparatory education and training for VET
VET	vocational education and training
WBL	work-based learning

References

[URLs accessed 12.6.2019]

Cedefop (2017). *Skills anticipation in Finland*. Skills Panorama analytical highlights series.

http://skillspanorama.cedefop.europa.eu/en/analytical_highlights/skills-anticipation-finland

Hanhijoki I.; Katajisto J.; Kimari M.; Savioja H. (2012). *Education, training and demand for labour in Finland by 2025*.

<https://www.oph.fi/sites/default/files/documents/hanhijoki-i.-katajisto-j.-kimari-m.-ja-savioja-h.-education-training-and-demand-for-labour-in-finland-by-2025.-2012.pdf>

Korpi, A. et al. (2018). *The competence-based approach steers vocational education and training in the right direction*. Finnish Education Evaluation Centre. Policy brief; No 3/2018.

https://karvi.fi/app/uploads/2018/04/Policy-Brief_2018_The-competence-based-approach-steers-vocational-education-and-training-in-the-right-direction.pdf

Ministry of Education and Culture (2015). *Suomi osaamisen kasvu-uralle. Ehdotus tutkintotavoitteista 2020-luvulle [Growth in competences for Finland: proposed objectives for degrees and qualifications for the 2020s]*. Ministry of Education and Culture; working group memos and reports 2015:14.

<http://julkaisut.valtioneuvosto.fi/handle/10024/75163>

Ministry of Education and Culture; Finnish National Agency for Education (2018). *Finnish VET in a nutshell*. Helsinki: OPH. 'VET in Finland' series.

https://www.oph.fi/download/165770_finnish_vet_in_a_nutshell.pdf

Further sources of information

[URLs accessed 12.6.2019]

Finnish Centre for Pensions (2019). *Effective retirement age slightly higher in 2017*. Press release, 28.2.2018. <https://www.etk.fi/en/tiedote/effective-retirement-age-slightly-higher-in-2017/>

Finnish National Agency for Education (2014). *Hyvän ohjauksen kriteerit perusopetukseen, lukiokoulutukseen ja ammatilliseen koulutukseen [Criteria for good guidance in basic education, high school education and vocational training]*. Helsinki: OPH.
https://www.oph.fi/sites/default/files/documents/hyvan_ohjauksen_kriteerit.pdf

Government; Prime Minister's Office (2017). *Finland, a land of solutions: mid-term review – Government action plan 2017-19*. Helsinki: Prime Minister's Office. Government publications; No 7/2017.
<https://valtioneuvosto.fi/documents/10184/321857/Government+action+plan+2017-2019+en.pdf>

OECD (2018). *Education at a glance 2018: OECD indicators*. Paris: OECD Publishing. <https://doi.org/10.1787/eag-2018-en+en.pdf>

Legislation

Government (2017). *Valtioneuvoston asetus ammatillisesta koulutuksesta 673/2017 [Vocational Upper Secondary Education and Training Decree 673/2017]*.
<https://www.finlex.fi/fi/laki/alkup/2017/20170673>

Parliament (2017). *Laki ammatillisesta koulutuksesta 531/2017 [Vocational Education and Training Act 531/2017]*.
<https://www.finlex.fi/fi/laki/alkup/2017/20170531>

Websites and databases

Business Finland – Invest in Finland. Finland fact book (2018).
<https://www.investinfinland.fi/documents/162753/197730/Finland+Fact+Book/7b46dfaa-209f-4e27-9147-3b7ed6624d8a>

Countryeconomy.com – Finland GDP.
<https://countryeconomy.com/gdp/finland> [data from June 2019].

Employment fund – Providing security for changes in working life.

<https://www.tyollisyysrahasto.fi/>

Federation of Finnish Enterprises (2019). <https://www.yrittajat.fi/yrittajan-abc/tyonantajan-abc/tyontekijan-palkkaaminen/tuet-tyontekijan-palkkaamiseen-0>

Finnish Centre for Pensions – Retirement age in occupational pension scheme.

www.etk.fi/tutkimus-tilastot-ennusteet/tilastot/elakkeellesiirtymisika/

Ministry of Economic Affairs and Employment – Renewable energy in Finland.

<https://tem.fi/uusiutuva-energia>

Social Insurance Institution of Finland (2019) – Opiskelijan pikaopas [Students'quick start guide]. <https://www.kela.fi/opiskelijat>

Statistics

Finnish Centre for Pensions – Effective retirement age.

www.etk.fi/en/statistics-2/statistics/effective-retirement-age/ [data updated 8.2.2019].

Finnish customs – Foreign trade statistics: imports and exports.

<https://findikaattori.fi/en/80> [data updated: 7.6.2019].

Statistics Finland – Unemployment rate

<https://findikaattori.fi/fi/34> [data updated: 23.5.2016].

Statistics Finland – Employment rate

<https://findikaattori.fi/fi/41> [data updated: 25.6.2019].

Statistics Finland – Final consumption expenditure of households.

<https://findikaattori.fi/en/23> [data updated: 31.1.2019].

Statistics Finland – Foreign citizens.

www.tilastokeskus.fi/tup/maahanmuutto/maahanmuuttajat-vaestossa/ulkomaan-kansalaiset_en.html#tab1483972171375_1
[data updated: 31.12.2018].

Official Statistics of Finland (OSF): Consumer price index [e-publication].
ISSN=1799-0254. Helsinki: Statistics Finland [referenced: 14.6.2019].

http://www.stat.fi/til/khi/index_en.html

Official Statistics of Finland (SVT): Preliminary population statistics [e-publication].
ISSN = 1798-8381. July 2018. Helsinki: Statistics Finland [referenced: 14.6.2019].

http://www.stat.fi/til/vamuu/2018/07/vamuu_2018_07_2018-08-17_tie_001_en.html

Official Statistics of Finland (OSF) – General government deficit and debt.
ISSN=1799-5914. 2017. Helsinki: Statistics Finland [referred: 14.6.2019].
http://www.stat.fi/til/jali/2017/jali_2017_2018-03-29_tie_001_en.html

Vocational education and training in **Finland**

Short description

This short description contributes to better understanding of vocational education and training (VET) in Finland by providing insight into its main features and highlighting system developments and current challenges.

Finnish VET is highly regarded: 90% of Finns think it offers high-quality learning and 40% enrol in VET after basic education. The reasons include qualified and competent teaching, flexible qualifications, strong employment prospects and eligibility for further studies.

VET flexibility is one of the Finnish system's greatest strengths. Personal development plans are created for each learner at the beginning of studies. Learners study only what they do not yet know; the more they know, the shorter their studies. VET study can start at any time, depending on provider arrangements.

The system is undergoing significant change. The 2018 reform is increasing the share of performance and effectiveness funding: these are to be based on the number of completed qualifications, on learners' access to employment or pursuit of further education, and on feedback from both learners and the labour market.

4176 EN – TI-02-19-568-EN-N – doi:10.2801/841614

**CEDEFOP**

European Centre for the Development
of Vocational Training

Europe 123, 570 01 Thessaloniki (Pylea), GREECE

Postal address: Cedefop, Service post, 570 01 Themi, GREECE

Tel. +30 2310490111, Fax +30 2310490020, Email: info@cedefop.europa.eu

visit our portal www.cedefop.europa.eu



Publications Office
of the European Union

ISBN 978-92-896-2905-8



9 789289 629058